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DAILY REPORT

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RENMIN RIBAO ON U.S.-USSR EXCHANGE OF PRISONERS

HK040827 Beijing RENMIN RIBAO in Chinese 3 Feb 82 p 6

['International Jottings' article by He Li [0149 4539]: "Witnesses"]

[Text] According to the news from Angola, the ruling Popular Movement for the Liberation of Angola [MPLA] and the opposition party of the National Union for the Total Independence of Angola [UNITA] have recently reached an agreement to exchange two U.S. captives detained by the former for two Soviet airmen in the hands of the latter.

The appearance of U.S. and Soviet prisoners of war in the civil war in Angola so far away from Europe and America can explain something.

The civil war in Angola has dragged on for 6 years and still shows no sign of abating. What is the reason for this? The Soviet and U.S. prisoners of war in the hands of both sides indicate that this situation must have a great deal to do with the meddling of the two superpowers. In fact, behind the internal conflicts and upheavals of many countries in the world, we can always see the shadows of the two superpowers and that of the Soviet Union in particular. Take prisoners of war for example. Besides Angola, there are reports of Soviet soliders and "advisers" captured or killed in Kampuchea, the Horn of Africa and Afghanistan. More and more Soviet prisoners of war have appeared in various parts of the world. Is this not a witness to the fact that Moscow is stepping up its expansion and intervention in other countries?

OBSERVATORY COOPERATES WITH FOREIGN COUNTRIES

OW081007 Beijing XINHUA in English 0713 GMT 8 Feb 82

[Text] Shanghai, February 8 (XINHUA) -- The latest joint observation of the very long baseline interferometry (VLBI) by the Shanghai observatory and West Germany's Max Planck Institute for Radio Astronomy is a success, said Professor Ye Shuhua, 55, director of the observatory here today. She said that this was the first ever experiment of this kind over Euro-Asia.

The very long baseline interferometry is new technology developed in the 1970's, which is being widely applied in geo-dynamics, geodesy, geophysics and astro-physics. The Sino-West German project is part of the observatory's cooperation with foreign countries in astronomy during the last few years. The observatory, in collaboration with other observatories in China, participated in the project to monitor earth rotation and inter-compare the techniques of observation and analysis (MERIT), sponsored by the International Astronomical Union and the International Union of Geophysics and Geodesy, in August-October, 1980. The observatory is organizing the efforts of other Chinese observatories and the department of astronomy of Nanjing University to prepare for the international MERIT project in 1983-1984.

The Shanghai and Shaanxi observatories cooperated in September 1979 with the Paris observatory in using satellite "Symphonie" to conduct clock comparison for time accuracy over a distance of more than 8,000 kilometers. They later carried out comparison of portable clocks with the U.S. Navy Observatory. Professor Ye Shuhua said that the observatory is cooperating with the U.S. National Aeronautics and Space Administration (NASA) in the studies of the Earth rotation and the Earth crust movement. She said, "Astronomy, especially geodesy, calls for international cooperation. China is ready to expand such cooperation in the future."

The Shanghai Observatory participated in international efforts to measure longitude in 1926, 1933 and 1957-1959. Shanghai, Algiers and San Diego in the United States, forming an equilateral triangle, were taken as the three baseline points. Beginning since 1939, Shanghai has been a point for cooperation in the measurement of international time.

XINHUA COMMENTARY SCORES U.S. TAIWAN POLICY

OWO51704 Beijing XINHUA in English 1648 GMT 5 Feb 82

["Commentary: Rebuttal of Call 'To Maintain Taiwan's Defense Capability' -- by Correspondents Peng Di and Hua Xiu" -- XINHUA headline; variations noted below are taken from XINHUA Domestic Service in Chinese at 1542 GMT on 5 February]

[Text] Beijing, February 5 (XINHUA) -- Those in Washington advocating arms sales to Taiwan have voiced a lot of opinions to support their proposition. But, regrettably, none of the arguments they brought forward is tenable. Even some Americans said that this is an issue that concerns China's sovereignty and will amount to an interference in the internal affairs of China. The position of China defies refutation, they said. However, some who insist on arms sales to Taiwan have assumed a high-handed stance, declaring: Go ahead with the arms sales even if it is universally taken as an interference in China's internal affairs. These people base their proposition on the U.S. pledge "to maintain sufficient defense capability for Taiwan."

This postulate goes against legal principles and is illogical. Taiwan is China's territory, and why should the United States, a country on the other side of the globe, have a hand in maintaining Taiwan's "defense" capability? Why should the United States outreach itself like this?

At the time of establishment of Sino-U.S. diplomatic relations, the United States recognized [Domestic service reads: "officially recognized"] the Government of the People's Republic of China as the sole legitimate Government of China and Taiwan part of China's territory. It also accepted the three conditions raised by China for modifying the U.S.-Taiwan relations: Withdrawal of U.S. troops from Taiwan, abrogation of treaties and severance of relations. [Domestic service reads: "diplomatic relations."]

By abrogation of treaties, it means that the United States shall abrogate the U.S.-Taiwan "defense" pact and the abolition of U.S.-Taiwan military "defense" relations.

Under such circumstances, if the United States continues arms supplies to Taiwan and declares publicly that it wants to ensure sufficient "defense capability" for Taiwan, people would ask: Is there a military "defense" pact existing between the United States and Taiwan in disguised form? What else can this be if not a violation of the principles laid down in the communique on the establishment of diplomatic relations between the United States and China?

Another thing the United States undertook to do was to sever all diplomatic relations with Taiwan and only maintain unofficial relations with it. [Domestic service reads: "relations with the Taiwan people."] In supplying Taiwan authorities with military equipment to keep what is described as "defense" ties, the United States in fact treats Taiwan as a political entity. To call these ties unofficial is self-contradictory and can fool nobody. [Domestic service reads: "unofficial is nothing but a gross deception."]

The essence of the argument on "maintaining Taiwan's defense capability" is, on the one hand, an attempt to perpetuate the U.S. policy of "two Chinas" and, on the other, a design of anti-China strategy. One would ask: In the mind of those advocating Taiwan's "defense capability," whom is to be defended against? Obviously, it is none other than China. These people sometimes hide their true intentions but are quite forthright on other occasions.

Their effort to help Taiwan maintain its "defense capability" is made to keep Taiwan apart from the mainland and block China's reunification with a view to perpetuating the U.S. policy of "two Chinas." This constitutes a direct and wanton interference in China's internal affairs. [Domestic service begins paragraph: "What is their purpose in supplying Taiwan with arms? One allegation is that their effort..."]

After China put forward her nine-point proposal concerning the peaceful reunification, [Domestic service reads: "concerning the return of Taiwan to the motherland and China's peaceful reunification"] some U.S. officials openly declared that it was a problem to be settled by the Chinese themselves and that the United States should not have a hand in this matter. The argument of maintaining Taiwan's defense capability runs counter to the U.S. position expressed in these comments.

Another allegation has shown their attempt more clearly. The supply of arms to Taiwan is not for the interest of the Chinese there but for perpetuating their occupation of Taiwan as a bastion against China.

The Atlanta JOURNAL said in an article on January 28 that China "was an enemy [Domestic service reads: "enemy (of the United States)"] only a few years ago." Even as a potential friend, it is not reliable, it added. The article also said: "The risk of losing Taiwan, a key bastion of the Pacific, is too great for us to run." Some people in the United States even regard Taiwan as "a never submerging air [aircraft] carrier" of the United States in the Pacific. It is tantamount to saying that they still harbor inveterate hatred for China. [Domestic version reads: "still regard China as a long-standing enemy of the United States."] They have all along opposed the establishment of diplomatic relations between the United States and China. They were dissatisfied with the policy of the Carter administration and do not agree with the cautious attitude of the Reagan administration on the arms sales.

Time has greatly changed. Circumstances have forced the U.S. to establish diplomatic relations with China and improve its relations with her strategically. However, there are still some political Philistines in the United States who are doggedly hostile to China and attempt to push back the wheels of history. If their shameful performance leads to a policy of the U.S. Government, it will bring grave harm to the United States, the Far East and the whole world. [Domestic service reads: "their unbridled performance on the American stage of the 1980's is a performance only, it will merely disgrace the image of the United States in the world. However, if this performance of theirs leads to a policy"]

ZHONG SAYS TIES WITH U.S. REACH CRISIS POINT

WA061748 London REUTER in English 1120 GMT 6 Feb 82

[Text] Beijing, 5 Feb (REUTER) -- U.S. relations with China have reached crisis point over American arms sales to Taiwan, Vice Foreign Minister Zhong Xidong said today.

He said there was "practically no room for maneuver on the part of China" in talks being held with the Americans on the dispute.

Speaking during a meeting with the managing director of REUTERS, Glen Renfrew, the minister used unusually blunt language to underline the gravity with which Beijing regarded the issue. "It is no exaggeration to say that relations are now at crisis," he said.

Mr Zhong said the arms sales to the nationalists on Taiwan had become a serious obstacle in the development of U.S.-China relations.

His comments appeared aimed at countering suggestions that China had made a major concession to Washington by its willingness, announced last Sunday, to negotiate an end to the American arms sales to Taiwan within a time limit.

The United States decided last month against selling advanced F-16 and F-5G combat aircraft to Taiwan, but to continue supplying the older and less potent F-5E that forms the mainstay of the Taiwanese Air Force.

China refused to see this decision as a concession that might defuse the increasingly bitter quarrel over the arms sales. Instead, it lodged a strong protest, saying all arms sales violated Chinese sovereignty because both Beijing and Washington recognized Taiwan as part of China. "China's sovereignty is not negotiable," Mr Zhong said today. "We hope that this issue will be solved speedily," he added, indicating that China's patience is wearing thin.

The minister stressed China's view that it had shown great restraint over the dispute, and the United States would have only itself to blame if the carefully crafted links between the two countries were damaged. While confirming that talks were being held on the subject, he said both sides promised not to comment on them, and "we keep our promises." Mr Zhong did not say what China would do if the talks failed, nor did he repeat previous threats that U.S.-China relations might be downgraded.

He underlined Beijing's current position that while it would not be moved on questions of principle, it had shown its flexibility by agreeing to negotiate a solution. The apparent Chinese aim is to appear as reasonable as possible so that, if relations deteriorate, China can deny any responsibility.

Vice Minister Zhong's remarks followed two long commentaries issued by the NEW CHINA NEWS AGENCY today condemning the arms sales. One said circumstances had "forced" the United States to establish diplomatic relations with China three years ago. "However, there are still some political philistines in the United States who are doggedly hostile to China and attempt to push back the wheels of history," it said. The signed commentary added that if these people's views became U.S. Government policy, "it will bring grave harm to the United States, the Far East the whole world."

RENMIN RIBAO: U.S. 'CENSURED' OVER EL SALVADOR

HK040743 Beijing RENMIN RIBAO in Chinese 4 Feb 82 p 6

["Newsletter from America" by Yuan Xialu [5913 0341 4389]: "United States Censured for Supporting El Salvador"]

[Text] The Reagan administration announced on 1 February that it would supply the Government of El Salvador with \$55 million worth of military equipment as "emergency security aid." This is the second military aid deal the United States has made with this Central American country in the past month. Previously, Congress approved similar aid worth \$65 million. It is said that the White House will request Congress to approve a sharp increase in economic and military aid to El Salvador to a total of \$230 million this fiscal year.

Aid for El Salvador is an issue that has caused argument within the United States. Many people are opposed to providing aid because Salvadoran troops slaughter civilians at will. Several American nuns engaged in social work in the country were killed in 1980, an incident that aroused still fiercer public anger. When the Reagan administration presented its foreign aid plans to Congress last December, Congress demanded that military aid for El Salvador could only be provided if there was material proving that the government of that country now respected human rights.

When the U.S. Government tried to prove that Salvadoran troops were only wiping out guerrillas, not slaughtering the people, the U.S. press and radio and television stations continually exposed the atrocities committed by those forces in killing peaceful civilians while engaged in military operations.

A U.S. television station broadcasted this report on 31 January: According to a Salvadoran military announcement, "19 guerrillas were wiped out" early one morning during an operation in the suburbs of San Salvador, the capital. According to witnesses, however, this was a bloody slaughter of innocent residents. Armed troops burst into the rooms of 20 people sleeping in their beds, dragged them out and shot them. They included a woman, 57, and a boy, 14. In addition many teenage girls were raped and abused. The television also showed a scene of families of the slaughtered tearfully denouncing the incident.

The reason why the United States makes every effort to support the Salvadoran authorities is to counter Soviet and Cuban expansion and penetration in Central America and the Caribbean area. Since the Reagan administration took office, apart from providing aid and dispatching military advisers for the Salvadoran authorities, at one point it considered getting militarily involved. Actually, the Soviet Union and Cuba have constantly been interfering in Salvadoran affairs. They have carried out penetration into the country by shipping arms and equipment to the guerrillas. This has made the situation there still more complex. However, as many knowledgeable people have pointed out, by supporting the Salvadoran authorities and opposing Soviet interference by interfering itself, the United States will actually intensify the turmoil there and benefit Soviet and Cuban expansion and penetration, instead of solving the country's problems.

Several antigovernment guerrilla organizations in El Salvador recently sent an open letter to President Reagan appealing to the United States to change its El Salvador policy and proposing that the civil war be ended by unconditional negotiations among all parties to the conflict. However, the U.S. Government's response to this appeal was cool. It still declared that it would provide full support for El Salvador's so-called elections in March by stepping up its aid for the Salvadoran authorities. People say that this U.S. policy is far from wise.

RENMIN RIBAO HITS U.S. SUPPORT FOR ISRAEL

HK070759 Beijing RENMIN RIBAO in Chinese 7 Feb 82 p 6

["Roundup" by Yan Xianlu [5913 0341 4389]: "Dangerous Policy"]

[Text] Washington, 6 Feb -- The UN General Assembly passed a resolution on 5 February condemning Israeli occupation of the Golan Heights. The United States went so far as to express extreme annoyance at this fair and just resolution. This attitude toward the resolution, following its Security Council veto of a resolution condemning Israel, shows that the United States is resolved to act as the protector of the Israeli aggressors.

According to American press reports, before the UN General Assembly vote, the United States assigned many diplomats to talk with representatives of Third World nations and warn them that a vote in favor of the resolution would be regarded as "an unfriendly attitude toward the United States." U.S. officials said that they opposed the UN General Assembly resolution because its call for sanctions against Israel would not help to promote negotiations. This is a preposterous way of putting it. Israel has persisted in its unreasonable decision to annex the Golan Heights heedless of international opinion. What is wrong with censuring and taking sanctions against such a stubborn aggressor?

Worth noting is the fact that during this UN General Assembly meeting, U.S. diplomats made no attempt to conceal their threats against other countries, and even openly advertised this point. The New York TIMES wrote on 5 February: "This goes against normal diplomatic conventions. Certain countries usually do everything they can to keep their lobbying secret, while warnings to friendly states are almost never announced." People cannot help wondering why the United States took this abnormal action on this occasion.

A figure from an Arab state said here that the reason for this was that the United States not only wanted to protect Israel from being condemned after annexing the Golan Heights, but also wanted to connive with her in carrying out new aggression in the Middle East. This view is not entirely without foundation. The Washington POST wrote in an editorial entitled "After the Golan" about 1 month ago: "People inside and outside Israel are now wondering whether the annexation of the Golan Heights is a rehearsal for annexing the entire West Bank of the Jordan. Without mentioning for the time being what the desires of the Israeli people are, if the price of the Golan incident is not too high, they may view things in this way. And that is what gives people to worry."

The situation becomes still more evident, to judge by U.S. declarations in the recent talks with Egyptian President Mubarak during his visit to the United States. President Reagan and President Mubarak issued a joint statement after their talks on 4 February, pledging continued efforts for an all-round solution of the Middle East peace problem as called for by the Camp David accords. The United States expressed satisfaction with this. However, many American press reports said that U.S. officials felt uneasy over President Mubarak's stress, both at the 3 February talks and the state banquet, on Palestinian rights of autonomy and as a "national entity," because this is unacceptable to Israel. This U.S. attitude may make Israel still more arrogant and cause it to take further action.

This U.S. attitude in shielding and conniving with Israel is bound to encounter strong opposition from the Arab states and bring still more turmoil to the Middle East, which provide an opportunity for Soviet expansion. This is an extremely dangerous policy.

U.S. ENVOY, WANG RUNSHENG VISIT U.S. EXHIBITION

OWO62018 Beijing XINHUA in English 1521 GMT 6 Feb 82

[Text] Beijing, February 6 (XINHUA) -- A national light industry exhibition from the United States opened here today at the Beijing exhibition center. It will run for 10 days.

The exhibits from 76 U.S. firms include machinery for textiles, foodstuff processing, furniture manufacture, shoemaking, printing, and electronic and photographic equipment.

This is the second exhibition in China sponsored by the U.S. Department of Commerce since the establishment of the diplomatic relations between China and the United States. The first was the U.S. national economic and trade exhibition in 1980.

Arthur William Hummel Jr., U.S. ambassador to China, Lawrence J. Brandy, deputy assistant secretary of the U.S. Department of Commerce, and Wang Yaoting, chairman of the China Council for the Promotion of International Trade delivered speeches at the opening ceremony.

Also attending were Wang Runsheng, vice minister of foreign trade, and Yu Jianting, vice minister of light industry.

WAN LI MEETS, FETES VISITING U.S. PROFESSOR

OWO61656 Beijing XINHUA in English 1545 GMT 6 Feb 82

[Text] Beijing, February 6 (XINHUA) -- Chinese Vice-Premier Wan Li met and had a cordial conversation here today with Professor Samuel C.C. Ting of the Massachusetts Institute of Technology, U.S.A.

Later, Wan Li hosted a dinner for Professor Ting.

Present on the occasion were Qian Sanqiang, vice-president of the Chinese Academy of Sciences, and Zhang Wenyu, director of the Institute of High Energy Physics.

Professor Ting arrived on February 4 for a lecture tour at the invitation of the Chinese Academy of Sciences.

OW060732 Beijing XINHUA in English 0702 GMT 6 Feb 82

[Text] Beijing, February 5 (XINHUA) -- The Kremlin staggered into the new year burdened with problems at home and abroad that defy easy solution.

The ailing economy suffered another setback in the harvest shortfall last year, the gravity of which has prevented the Soviet Government from making public the exact size of the 1981 grain crop. This, coupled with the protracted war in Afghanistan and the Polish crisis, has more or less shackled the feet of the Soviet giant in pressing ahead with its expansion abroad.

But this does not mean the Kremlin bosses have been driven into utter passivity or inaction. In fact, the latest signs are that they will go on pursuing their global strategy along the lines laid down at the 26th congress of the Soviet party.

Since the new year, Moscow, under the slogan "End the arms race!" has declared the holding of talks on Euromissiles limitation, on strategic arms limitation and on reduction of forces in Central Europe "the three most pressing issues of this year that demand resolution." Despite the outcries against it over Poland, it continues to pay lip service to "peace," "disarmament," and "negotiation." While in reality, it has not relented in beefing up its military capacity to gain a quantitative as well as qualitative edge on the United States in a wide range of weapons.

As was revealed by some Western military research institutes, Soviet military spending has to date maintained its annual growth rate of around five percent and expenditure for the development of sophisticated weapons remains higher than that of the United States. It is in the process of deploying a large number of ICBM's of the fourth generation featuring greater accuracy and will launch ICBM's of the fifth generation. Before the end of this year, there will be 50 to 70 more SS-20's and 30 Backfire strategic bombers. A nuclear-powered submarine of the Typhoon class is now on its trial run and will soon be put into service.

The Soviet Ground Forces will get more T-72 tanks and will soon start having T-80 tanks this year, while the air force will be equipped with the first shipment of combat aircraft of the fourth generation, comparable to the American F-15 or F-16. And the navy is making preparations for the coming of the third aircraft carrier "Kharkov" and other large surface craft.

Ever stronger military muscle is sorely needed to back up the Kremlin's bid for world hegemony. Despite the baffling difficulties, Moscow will go on feeding its military machine and challenge the United States in the East, West and South in order to consolidate its gains and reach for more whenever opportunity offers.

Moscow will continue to focus its attention on the West. Acting the head of what it calls the socialist community, it will concentrate its efforts on tackling the many problems besetting the community. The United States has been constantly reminded that it should not violate the Yalta agreement by poking its nose into the Soviet sphere of influence in Eastern Europe which Moscow warned would be defended with all its might.

The recent joint military maneuvers condemned "Friendship-82" conducted by the Soviet Union and some of its East European allies were aimed at better coordination in defending more effectively the "sacred frontiers" of the community's member countries, as TASS put it. Meanwhile, by throwing out economic baits and brandishing a mailed fist to the West European nations, it tries to drive a wedge between them and the United States and poison relations between NATO countries in general, skillfully exploiting the differences in their approach and their conflicting views. All this is done mainly to scuttle the U.S. plan to deploy Pershing II and cruise missiles in Western Europe.

Moscow will continue to bolster its dispositions in the East. Soviet leaders have stated more than once that further preparations must be made for fighting a "war on two fronts," that is, on both East and West fronts. So more SS-20's, Backfire bombers, D-class submarines and other surface ships have been moved to the Far East so as to deal with the U.S. Armed Forces in the Pacific and threaten Japan and China. At the same time, it makes every effort to poison Japanese-American, Sino-American and Sino-Japanese relations.

Moscow had made a breach in the South front by occupying Afghanistan and helping Vietnam to overrun Kampuchea. Its next step is to reach for more in the troubled Middle East and Gulf region. It has eased its position somewhat in relation to Egypt and tries to bring the Saudi package for Middle East peace into line with its own plan for an international conference so as to have a finger in the pie of the Middle East peace process. Exploiting the agitation of Arab countries against Israel's annexation of the Golan Heights and the U.S.-Israeli "strategic cooperation" agreement, it has reinforced its own "strategic alliance" and "military cooperation" with some Middle East countries, expanded its military facilities and stockpile of arms there.

In the Gulf region, the Soviet Union jumped at the opportunity presented by the Iraq-Iran war to inflate its influence, especially to penetrate deeper in Iran. In South Asia, the Soviet Union has been exerting its influence to obstruct the conclusion of a non-aggression treaty between India and Pakistan and forestall any improvement of Indo-Pakistan or Sino-Indian relations. It is fueling tension in the region so as to strengthen its own hand.

Looking at the crystal ball, one may say that there probably won't be another Afghanistan for some time to come. But unfortunately, temperature in the world's hot spots remains dangerously high and there is always the possibility of new trouble spots coming into being. Who would vouch for the Kremlin that it would hold itself back for the good of the world when there is an opportunity to fish in troubled waters.

RENMIN RIBAO ON SOVIET ARMS REDUCTION PROPOSAL

HK081002 Beijing RENMIN RIBAO in Chinese 6 Feb 82 p 6

["International Jottings" by Te An [3676 1344]: "Passing the Ball"]

[Text] In an interview with the delegation of the Consultative Council on Disarmament of the Socialist International on 3 February, Brezhnev said that the Soviet Union was prepared to reach agreement on the problem of East-West negotiations on medium-range nuclear weapons and was also prepared to "go further" and reach agreement on the complete removal of medium-range nuclear weapons and strategic weapons in Europe beginning with the "reduction" and "freezing" of medium-range nuclear weapons. He said with pride that only this was "a real zero option plan."

At first glance, the Soviet Union seems to have become generous and very resolute in its demand for reducing nuclear weapons in the European theater. But Western observers pointed out that his suggestion has "no new substance." Like before, it is still based on maintaining "the current military balance in Europe and in the world." This is to say that this "new suggestion" of Brezhnev is an old trick. It calls for using the so-called "current balance" to guarantee that the obvious Soviet superiority maintained in Europe and in the world.

This "real zero option plan" from the Soviet Union is intended as an answer to the "zero option" put forth by the United States not long ago. One side used the "zero option" to express its own sincerity, passing the ball to the Soviet Union. The other responded with the "real zero option plan" to show its so-called "well-intentioned sincerity" in its effort to reduce arms in Europe, kicking the ball back to the United States. No matter how the ball game is played, the Soviet Union will not give up its attempts to maintain its own military superiority in the European theater.

MOSCOW'S 'CONFIDENCE-BUILDING MEASURES' REJECTED

HK051152 Beijing RENMIN RIBAO in Chinese 4 Feb 82 p 6

["International Jottings" by Tong Chang [6639 2490]: "Daydreaming"]

[Text] At an earlier time and claiming that "Asia and the Far East desperately needed positive changes," TASS noisily advocated holding talks with relevant countries on the issue of "confidence-building measures" in the Far East which was put forth at the 26th CPSU Congress.

All those who are concerned about the situation in Asia and in the Far East can see that Moscow's so-called "confidence-building measures" are similar to its other treaties of "friendly cooperation," "good neighbor relations," "mutual non-aggression" and so on. And all these are just a recycling of the "Asian collective security system." The "Asian collective security system" first came into being in 1966, but no one has shown any interest in it. And now, Moscow has raised it again, dishing it up in a new form.

Undeniably, in promoting the "confidence-building measures," Moscow acknowledged the existence among the Asian countries of waning confidence in the Soviet Union. The Soviet Union has backed up Vietnam in the invasion of Kampuchea; it has directly sent troops to occupy Afghanistan; it has deployed million of soldiers along the Sino-Soviet border; it has speeded up military deployment in Japan's four northern islands; its Pacific Fleet has moved south to the Malacca Straits; both Cam Ranh Bay and Da Nang have become Soviet air force and naval bases; and so on. All these things have caused people to lose confidence in the Soviet Union. Soviet expansion has threatened the security of the Asian countries and aroused the discontent of the Asian people. How can Asia and the Far East talk about "confidence" in the Soviet Union if it does not withdraw its troops from Afghanistan, if Vietnam does not withdraw its troops from Kampuchea and if the Soviet Pacific Fleet does not move back to the North? Being confronted with Soviet aggression and expansion, a positive change has already taken place in Asia -- unity based on antihegemonism. Now, Moscow is only daydreaming when it tries to change its bad aggressor's image in Asia by means of promoting "confidence-building measures" that only enable "positive changes" to take place in Asia in accordance with the Soviet Union's hegemonist needs.

SPOKESMAN CALLS SRV TALKS PROPOSAL 'INSINCERE'

OWO60938 Hong Kong AFP in English 0856 GMT 6 Feb 82

[Text] Beijing, 6 Feb (AFP) -- China today dismissed as "utterly insincere" a recent Vietnamese proposal for resumption of normalization talks between the two former socialist allies. A Chinese spokesman, however, refused to indicate whether his government had sent a formal reply to a note from Hanoi late last month proposing a resumption of bilateral negotiations, frozen by the Chinese side since March 1980.

"The Vietnamese authorities are utterly insincere about negotiations," the spokesman said.

Beijing has repeatedly stated it will not resume normalization talks with Hanoi as long as Vietnamese troops remain in Cambodia. Begun soon after the February-March 1979 Sino-Vietnamese border war, the inconclusive talks were suspended in December of the same year and formally frozen by Beijing two years ago.

In a commentary published soon after the January 30 Vietnamese note, NEW CHINA NEWS AGENCY reiterated that "China has always maintained that tension on the Sino-Vietnamese border has been caused solely by the Vietnamese authorities. This tension is caused by Vietnam's anti-China policy and regional hegemonist designs."

Hanoi's latest proposal "like the one they made last year, is an old trick for the sole purpose of propaganda," the Chinese spokesman indicated.

HUN SEN REMARKS ON THAILAND CALLED 'THREAT'

OWO61644 Beijing XINHUA in English 1619 GMT 6 Feb 82

["Commentary: Bare-Faced Threat -- By Correspondent Ji Ying" -- XINHUA headline]

[Text] Beijing, February 6 (XINHUA) -- The vice-chairman of the "Council of Ministers and foreign minister" of the Vietnam-installed regime in Phnom Penh, Hun Sen told AFP on February 3 that only by hot pursuit into Thailand, could Vietnamese troops hope to wipe out Khmer Rouge and troops of Son Sann and Samdech Norodom Sihanouk.

This is the most bare-faced threat mouthed by those in Hanoi or Phnom Penh to an ASEAN country.

While mounting attacks against the resistance forces in western Kampuchea, the Vietnamese occupation forces have on several occasions shelled Thailand's border villages, and intruded into Thai territory, encroaching upon Thailand's sovereignty and posing a serious threat to its border areas.

Thai military sources have revealed that nine foreign naval vessels were massed close to Thai waters after armed Vietnamese fishing boats had intruded into the territorial waters of Thailand and attacked Thai fishing boats on December 28. It was also announced that a total of 120 shells fired by Vietnamese had landed on Thai soil in the four days of late last month and early this month, killing two and wounding five Thai villagers.

Hun Sen's impudent threat should be taken in the context of these incidents.

It is known to all that since Vietnam's invasion of Kampuchea, the national army and guerrillas of Democratic Kampuchea and other resistance forces have all along engaged in armed struggles against the Vietnamese aggressors in the country. However, Hun Sen distorted the fact, alleging that all supporters of Khmer Rouge and Son Sann and Norodom Sihanouk are now operating in Thailand, and seeing "a grave international crisis" in the situation. Isn't this an attempt to prepare public opinion for further Vietnamese aggression against Thailand, an ASEAN member state, so as to stir up another international crisis? It cannot but heighten the vigilance of those who are concerned about security and peace in Southeast Asia.

The Phnom Penh regime owes its existence to the backing of the Vietnamese forces. Thus people can hardly believe that this bare-faced threat to an ASEAN member was not inspired by the Vietnamese authorities. It helps to show whence comes the threat to the ASEAN and Southeast Asia.

YOUTH GROUP LEAVES FOR BANGLADESH, THAILAND

OWO50746 Beijing XINHUA in English 0704 GMT 5 Feb 82

[Text] Beijing, February 5 (XINHUA) -- A four-member Chinese youth delegation left here today for a friendship visit to Bangladesh and Thailand at the invitation of the National Youth Organization of Bangladesh and the National Youth Bureau of the Prime Minister Office of Thailand.

Leader of the delegation is Liu Weiming, acting chairman of the All-China Youth Federation.

RENMIN RIBAO: BERLINGUER REFUTES USSR'S CHARGES

HK050956 Beijing RENMIN RIBAO in Chinese 3 Feb 82 p 7

[Report: "Berlinguer Refutes Charges by Soviet Magazine KOMMUNIST -- Criticizing the Soviet Leaders for Not Allowing the Soviet People To Know the Stand and Viewpoint of the Italian Communist Party"]

[Text] According to a report from Rome by our correspondent, the Italian Communist Party [PCI] organ L'UNITA published on 1 February a speech by Berlinguer, general secretary of the PCI, delivered at the Bari conference. In this speech, Berlinguer refutes the Soviet KOMMUNIST's criticism of the Italian communists.

Berlinguer said that the full text of the long KOMMUNIST article will be carried in the coming issue of the PCI's weekly RINASCITA, just as the PRAVDA article was carried in L'UNITA.

In the reprint of the PRAVDA article, L'UNITA dismissed PRAVDA's attacks on PCI's opposition to the Soviet Union's hegemonist ambitions as "profanity" and "slander." However, the Soviet Union has not made any reply to L'UNITA's article. Of course, it will not reprint this article either.

Berlinguer pointed out: The readers of the PCI publications fully understand the viewpoint of the USSR, but the Soviet readers still know nothing about what the Italian communists really think and say. They do not understand the resolution of the PCI leading organ adopted on 30 December last year, do not understand the debate in the Central Committee and, of course, do not understand the article of L'UNITA in reply to PRAVDA. According to KOMMUNIST, we are taking an "abstract" and "arrogant" attitude towards socialism. We do not think so. There is one very clear and concrete point in our stand on socialism. That is, socialism should enable the people to have the best understanding of the facts and the situation. On this basis the broadest masses of people will be mobilized to take an active part in political life and play their leadership role.

Berlinguer said: The PCI has already clearly and extensively answered all questions concerning the history, the foundation, the ideological wealth and the characteristics of the PCI and it is now awaiting the reply of the USSR.

Referring to KOMMUNIST's accusation that the PCI leaders have joined the "camp of anti-socialist forces," Berlinguer said that this must only be judged by the "many fighting" Italian communists who "take an active part" in opposing imperialism, colonialism, warmongers and all enemies of national liberation and independence.

As to the criticism that the PCI "intends imposing its mode of socialism on others," Berlinguer replied: The PCI hopes that all democratic and socialist ideas in the world, above all, the right of every country to select its own road without any foreign imposition, will be respected.

He said: "We believe that the time has past when some people can be randomly driven out of the church. However, we have heard again the voice of those people who consider themselves defenders of the creed and who play the role of the supreme court in criticizing others."

BRITISH TRADE UNION LEADERS ARRIVE FOR VISIT

OW041611 Beijing XINHUA in English 1602 GMT 4 Feb 82

[Text] Beijing, February 4 (XINHUA) -- Clive Jenkins, general secretary of Britain's Association of Scientific, Technical and Managerial Staffs, and Mark Young, general secretary of the British air line pilots' association, arrived today at the invitation of the All-China Federation of Trade Unions. Chen Yu, vice-president of the federation, hosted a dinner for the guests. The guests are scheduled to tour Xian and Shanghai before returning home.

WAN LI SAYS DENG XIAOPING IN 'EXCELLENT HEALTH'

OW070912 Hong Kong AFP in English 0900 GMT 7 Feb 82

[By Charles Antoine de Nerciat]

[Text] Beijing, 7 Feb (AFP) -- Powerful Chinese Communist Party Vice Chairman Deng Xiaoping, who has stopped participating in the day to day running of the government, is still the number three in the Chinese hierarchy and armed forces supremo, reliable sources said here today. The sources, citing Chinese sources, were commenting on remarks made yesterday by Vice Premier Wan Li to an international wire service.

Mr Wan said that the 77-year-old strongman, who has failed to appear in public for nearly one month, had stopped taking part in daily decisionmaking -- a move observers consider to mean that Mr Deng has gone into semi-retirement.

But Mr Wan stressed that Mr Deng, (?responsible) for China's current pragmatic policies, would continue to participate in major decisionmaking.

Mr Deng has third place in the Chinese hierarchy, and as one of the party vice-chairmen has a place in the seven-member Politburo Standing Committee.

He is also chairman of the party's Military Commission, and thus supreme armed forces chief, and also chairman of the Chinese People's Political Consultative Conference.

Although stressing that Mr Deng was in excellent health, Mr Wan pointed to his advanced age, clearly indicating that this had been the decisive factor leading the Chinese strongman to give up his day to day work.

Observers are generally agreed that Mr Deng's future diminished role in public life will not alter the basic pragmatic orientation of the regime, as he has been careful to set up a succession team over the past few years with his proteges Hu Yaobang and Zhao Ziyang holding the positions of party chairman and premier respectively.

Mr Wan, using a phrase made popular by the [words indistinct] recent weeks to describe the position of retired officials who still retain a counseling role said Mr Deng would move from "the first line" to the "second line". Observers recalled that Mr Deng, twice disgraced by Mao Zedong during the Cultural Revolution, had announced in 1980 his intention of being no more than a "consultant" for the regime after 1985.

A number of the other top, veteran leaders have retained their functions although believed to do very little because of illness or advanced age. One of them is the ailing 83-year-old Marshal Ye Jianying, a man close to Chairman Mao Zedong, who is still the number two in the Chinese hierarchy.

XI ZHONGXUN AT XU TELI ANNIVERSARY MEETING

OW070314 Beijing XINHUA Domestic Service in Chinese 1257 GMT 6 Feb 82

[Text] Beijing, 6 Feb (XINHUA) -- The Ministry of Education held a discussion meeting at the Great Hall of the People on 6 February to mark the 105th birth anniversary of Xu Teli, an outstanding proletarian educator of China and a great communist fighter.

Minister of Education Jiang Nanxiang presided over the meeting. Xi Zhongxun, secretary of the CCP Central Committee Secretariat, spoke at the meeting.

Xi Zhongxun said: While he was alive, Comrade Xu Teli enjoyed great prestige in our party and among China's educational and ideological circles.

Many party cadres and intellectuals regarded him as a model from whom to learn. Unfortunately, he died in sadness in 1968 when Lin Biao, Kang Sheng, Jiang Qing and their ilk indulged in wanton persecution, and was not properly mourned. Today, while we are commemorating his revolutionary life, it is of particular significance to learn his revolutionary spirit.

Xi Zhongxun pointed out that in commemorating Comrade Xu Teli, it is important to learn the following three points from him:

1. His lofty communist ideal. Xi Zhongxun said: Comrade Xu Teli determinedly joined the ranks of our party at a most critical moment in 1927 when Jiang Jieshi betrayed the revolution, many Communist Party members were butchered, and many wavering elements either quit the Communist Party or retired from political life. This not only demonstrated his unusual revolutionary courage but, more importantly, his strong belief in communism.
2. His indomitable craving for knowledge. Comrade Xu Teli's brilliant life was a typical example in practicing the philosophy: "Study and transform oneself until the end of one's life."
3. His simple and unaffected life style. Xi Zhongxun pointed out: Comrade Xu Teli embodied the finest party style. We Communist Party members must all take Comrade Xu Teli as our model, strengthen our party spirit, establish good party styles and popularize them among all youth and the people of the whole country.

Jiang Nanxiang said: For 73 years Comrade Xu Teli labored assiduously for the party and people in educating China's posterity and fostered several generations of new people. He proved himself to be a paragon of the people and a model for all revolutionaries. In a letter greeting his 60th birthday, Comrade Mao Zedong praised him saying "you have put revolution, work and other people above everything else." When the whole party congratulated him on his 70th birthday, Comrade Zhou Enlai wrote as a eulogy "the light of the people, an honor of the party." They were all truthful appraisals. In commemorating Comrade Xu Teli, we must propagate the CCP's revolutionary models, carry forward the glorious traditions of the education of the old liberation areas, and work hard to build our great motherland into a strong and modern socialist nation both highly democratic and civilized.

RENMIN RIBAO COMMENTATOR ON SMUGGLING CASE

OW051427 Beijing XINHUA Domestic Service in Chinese 1131 GMT 5 Feb 82

["RENMIN RIBAO Commentator's Article: 'A Thought-Provoking Lesson'" -- XINHUA headline]

[Text] Beijing, 5 Feb (XINHUA) -- In conspiracy with his wife Wang Min, Wang Weijing, former secretary of the Guangzhou Municipal Telecommunications Bureau CCP Committee and former bureau director, took advantage of his powers to smuggle, illegally buy and sell foreign exchange, profiteer and violate criminal law. He was arrested by the Guangzhou Municipal Intermediate People's Court according to law.

Wang Weijing and his wife are veteran cadres who have taken part in revolution for many years. They have received party education for years. However, failing to resist the attacks of the sugar-coated bullets of the bourgeoisie, they lost the moral character of a communist and became criminals who violated party discipline and state law. This shows that bourgeois ideas have seriously contaminated the body of our party and corroded some feeble-minded members and cadres of our party.

As smugglers, illegal foreign exchange dealers and profiteers, Wang Weijing and his wife committed crimes during 1980. The masses exposed and reported their crimes very early. The staff members and workers of the Guangzhou Municipal Telecommunications Bureau accused them at the beginning of last year. The Guangzhou Municipal People's Procuratorate instituted proceedings against them last June. However, Wang Weijing was arrested and brought to justice only very recently.

This case, which has dragged on for several years, is not the only one of its kind. Why does such a phenomenon exist? First, there is serious bureaucracy in the leading organ, which pays little attention to the masses' accusation and exposure and is irresolute, hesitant, weak and incompetent. Second, some comrades -- proceeding from the vulgar relationship of old comrades, old connections and old friends -- ignore some people's criminal activities and are too lenient. They will not step forward bravely and launch a struggle. Third, some people covet small gains and accept bribes. Because they themselves are also guilty, they conceal what they know of the criminals and even wink at and shield the criminals so as to absolve them from the responsibility for their crimes. All this obstructs our efforts to hit the unhealthy trend and rectify the party style. Unless we eliminate this obstruction, it will be very difficult to curb the trend of smuggling and selling smuggled goods.

At present, our economic situation is very good. Our party style has also greatly improved. To strive for a decisive improvement of our party style, we must deal a resolute blow to smuggling, selling smuggled goods, graft, accepting bribes and other serious criminal offenses. We must firmly grasp this matter of prime importance, which involves the destruction of our party's prestige and concerns our party's life and death, and resolutely solve it. If a big case involves some big shot or some high-level organ, we must grasp the case even more firmly and handle it harshly. The few cadres who commit serious crimes, particularly those who hold important posts, must be arrested and seriously punished according to law.

We will unflinchingly implement an open-door policy to strengthen international economic and technical exchange. Smuggling, illegal foreign exchange dealing and profiteering have nothing to do with the legitimate economic and trade contacts with foreign countries. At a recent meeting of prefectural and municipal party secretaries sponsored by the Guangdong Provincial CCP Committee, Comrade Ren Zhongyi said: "It is mainly in the economic field that we implement an open-door policy abroad and a more flexible policy at home. We must never relax our party style or our party discipline. Party style and party discipline should only be stricter." This is well said indeed! We must seriously deal with the Wang Weijing case in accordance with party discipline and state law.

OFFICIAL DETAILS ILLEGAL ECONOMIC ACTIVITIES

OW071415 Beijing XINHUA Domestic Service in Chinese 0151 GMT 7 Feb 82

[Excerpts] Beijing, 7 Feb (XINHUA) -- At present all localities in China are strengthening market management and dealing blows at speculative activities. Recently, a XINHUA reporter called on a responsible person of the bureau of market management under the administration of industry and commerce to discuss some issues that concern many readers.

Question: What is the purpose of the activities of strengthening market management and striking at smuggling at present?

Answer: Since the convocation of the 3d Plenary Session of the 11th CCP Central Committee, a commodity circulation system characterized by "three mores and one less" (more economic factors, more forms of management, more circulation channels and less links) has prevailed on China's markets. The economy has become more active with each passing day, and there is brisk buying and selling on the market. However, the production of some industrial and farm products still fails to meet the people's needs. Legislation on economic matters has been imperfect, and management work has failed to keep pace with the actual situation. A number of units and individuals have made use of the contradiction between supply and demand to vigorously carry out illegal business activities in violation of the state economic policy. In some localities, speculative activities have been rampant, seriously undermining the state's planned economy and damaging the state's and the masses' interests. In particular, some leading cadres have participated in smuggling activities, seriously impairing the party's prestige. Therefore, we must strengthen market management, deal severe blows at all smuggling and speculative activities, and not allow such illegal activities to continue.

Question: What kind of activities are considered speculative activities?

Answer: In general, activities are considered speculative activities if they violate state laws and regulations relating to finance, foreign exchange, gold and silver, commodity supplies, and industrial and commercial management, or involve illegal industrial and commercial activities, the reaping of staggering profits and the disruption of socialist economic order.

Question: How should we deal with vendors who engage in buying and selling? What kind of policy do we have in dealing with them?

Answer: Vendors who engage in buying and selling do not sell products they themselves manufacture, but buy merchandise and sell it at a profit. Some of their activities are permitted by the state, but some are not. We should strike blows at those vendors who violate state policy and regulations, carry out speculative activities, drive up prices and disrupt economic order on the market.

However, we must protect the normal vending activities of those vendors who sell and buy merchandise. For example, with the approval of the production team, a rural commune member should be allowed to carry out vending activities by relying on his own power (such as by carrying the merchandise on his own shoulders, by using a hand-drawn cart or a bicycle or by carrying it by hand) in buying and selling farm and sideline products that are permitted for marketing and do not affect the fulfillment of state purchasing targets.

Question: What kind of measures should be adopted in strengthening market management and dealing blows at speculative activities?

Answer: 1. All party and government leading organs must strengthen ideological education among cadres. At present some cadres have some degree of misunderstanding about enlivening the economy and adopting flexible policies. They think that enlivening the economy means "economic freedom" and that adopting flexible policies means that "each can do whatever he thinks is right." They turn a blind eye to and totally ignore activities that violate economic policies and state laws and regulations. They even participate in speculation and other illegal activities themselves. Therefore, all party and government leading organs must strengthen education on policy and on the legal system among cadres and help cadres in raising their awareness and distinguishing right from wrong.

2. Efforts must be made to strengthen management and supervision over economic activities and to link management by specialized organs with supervision by the masses.

3. State-run and collective stores must display correct style in management, strictly enforce discipline and earnestly implement the policy on commodity supplies. They are not allowed to sell at will large amounts of merchandise that is included in the state procurement plan or in their procurement assignments for the sole purpose of reaping profits and issuing more bonuses.

BAN YUE TAN ON COMBATING SPECULATIVE ACTIVITIES

HK070622 Beijing ZHONGGUO XINWEN SHE in Chinese 0048 GMT 6 Feb 82

[Report: BAN YUE TAN answers readers' questions on combating speculative activities]

[Text] Beijing, 6 Feb (ZHONGGUO XINWEN SHE) -- China is currently launching a campaign to combat speculative activities. BAN YUE TAN issue No 3 of 1982, which is to be published soon, answers readers' questions on this aspect.

As for what is meant by speculation, the journal quoted the State Council's announcement issued on 7 January 1981 -- "Instructions on strengthening market management, combating speculation and smuggling" and pointed out that the following activities should be categorized as speculation: illegal resale of industrial and agricultural means of production; violating the state's procurement plans by forcing up prices, crash-purchase and resale of commodities procured under the state plan; resale of planned-supply tickets and negotiable securities issued by banks; and seeking profits by reselling gold and silver, foreign currency, jewelry, cultural relics, imported goods and precious medicinal materials.

"What are the regulations for the sale of imported commodities?" To this question, the journal replies, "imported commodities are either imported through foreign trade, or by Overseas Chinese and compatriots from Hong Kong and Macao or mailed by them, but some of them are smuggled." No imported commodities, no matter through which channel they are imported, may be resold. Commodities imported through foreign trade must be allocated to production and commercial departments through the correct procedures of commodity business and through proper channels in accordance with the state's relevant stipulations. Nobody may handle imported goods across different provinces, municipalities, autonomous regions or trades. If they need to be sold, the commodities imported or mailed by Overseas Chinese and compatriots from Hong Kong and Macao must be sold to the procurement units stipulated by the state, not in the market or on the black market. Commercial units handling goods imported by individuals must be checked and approved by industrial and commercial administrative organs at and above county level. Units that have not been checked or approved by the relevant departments should not import or sell any of these commodities. They must not purchase such commodities at ports or from returned Overseas Chinese, nor purchase and sell them at negotiable prices. We must resolutely curb and strictly combat smuggling and trafficking of smuggled goods.

As regards how to deal with speculation, the journal pointed out that committing a speculative crime is different from committing a speculative mistake, and we must strictly distinguish one from the other. One of the important factors contributing to a speculative crime is the degree of seriousness. The criterion for deciding whether or not a case is serious depends very much on its pernicious effect in society. To be specific, it depends on whether or not the speculators have employed malicious means, whether or not the consequences are serious, on the amount of profits they have exploited, and whether or not it is a first offense or a repeat offense.

In dealing with speculation, apart from enforcing measures and strengthening ideological education, the industrial and commercial administrative departments should act in accordance with specific situations. They can demand a signed letter of repentance from the offenders, or issue posters to criticize such acts, or fix the commodity prices, or prohibit procurement of commodities, or impose fines, or confiscate all illegal income, commodities and capital or stop the business and withdraw the business licences of those concerned. They may use one or more than one of these penalties against the offenders. They must investigate each case and find out who is responsible. Such investigations should be carried out by the local units acting on a proposal forwarded by the industrial and commercial administrative department.

RENMIN RIBAO ON HEAVY INDUSTRY READJUSTMENT

HK080946 Beijing RENMIN RIBAO in Chinese 3 Feb 82 p 1

[Editorial: "Heavy Industry Must Pay Close Attention To Increasing Product Variety and Improving Quality"]

[Text] Heavy industry is implementing the policy of readjustment and new progress has been achieved in the readjustment of the service orientation and the changing of the structure of products. That part which includes products of the metallurgy, machine building and other such trades which are geared toward the agricultural and light industrial markets has been expanded. The internal proportions within heavy industry are gradually becoming more and more rational and production has, from the fourth quarter of last year, started to pick up again. Marked results have been achieved in numerous iron and steel and machine building enterprises, like the Shoudu Iron and Steel Company, the Anshan Iron and Steel Company, the Wuhan Iron and Steel Company, the Dalian heavy-duty machine building plant, the Nanjing No 2 machine tools plant and so forth. This year, further emphasis must be laid on increasing product variety and improving quality, proceeding steadily along the new path and scaling even greater heights.

The development of heavy industry does not merely call for devoting efforts to output. The crux lies in improving quality, increasing product variety and adapting to the needs of the national economy and the people's livelihood. If the quality of products is inferior, the range incomplete and if they are unmarketable, then the more that is produced, the more that get stockpiled. Thus, there will be no actual economic results worth talking about. It is only by proceeding from the needs of society and devoting efforts to raising the technological level of products that we can do a better job of readjusting the orientation of services, change the structure of products and extricate ourselves from our difficulties as quickly as possible.

With the rather rapid development of agriculture and light industry, more and greater demands are being made on metallurgy, machine building and other sectors of heavy industry. The increased output and conservation of energy, the developments in communications and transportation and in urban construction, the technological transformation of existing enterprises and so forth have also made pressing new demands on heavy industry. The prospects for heavy industry are basically good. The problem lies in further readjusting the orientation of services, expanding the scope of services, and putting the emphasis on the variety and quality of products and increasing their adaptability. In this way, we will be better able to serve agriculture and the consumer goods industry, the technological transformation of the national economy, urban construction, exports, and the modernization of national defense.

If we are to increase product variety and improve product quality, we must start by grasping those products which are in greatest demand in the market. At present, the range and quality of the various raw materials and mechanical and electrical products are not completely suited to the needs of the consumer. Sheet metal, strip steel, high precision machine tools, equipment which is low in energy consumption and high in efficiency, and pressure and heat resistant equipment are products which are in the shortest supply and emphasis should be placed on them. Production of certain steel products and mechanical equipment must become established in China in order to reduce imports. We must actively develop a set of high-performance, economical, durable modern steel products and mechanical equipment to meet the needs of consumer goods production, the building industry, the development of offshore oil deposits and so forth.

In order to increase product variety and improve quality, we must do a good job of basic work. We must actively use advanced technology that is suited to the conditions prevailing in our country. We must, in accordance with the needs of the development of products, strengthen and improve scientific research into new types of products, technological experimentation, technological design and technological innovation in the existing production processes, as well as operational procedures, quality and quantity control and other such bottlenecks. By first tightening up on management, we must then effect the overall rectification of the enterprises. Rectification must be based on the improvement of economic results, with particular emphasis on improving quality, increasing product variety, reducing consumption and increasing profits.

Technology, skills and equipment are in a backward state. This is one of the main reasons why, at present, production in heavy industry is high in consumption, yet low in quality. In order to carry out a technological transformation, we must draw up an overall plan so as to avoid blindness in action. In the last 2 years, certain iron and steel and machine building enterprises have been putting to use quite a bit of effective advanced technology. It did not cost much, was convenient and simple to use, and achieved clear results. All enterprises should attach importance to this and conscientiously popularize its use.

Increasing product variety and improving quality is an arduous task. It is also where the hopes of heavy industry lie. The heavy industrial sector must carry out the policy of planned economy as the main part and regulation by market mechanism as an auxiliary. It must firmly and unservingly grasp this key point and, in the course of striving to better serve modernization, successfully bring about a new picture of prosperity.

NATIONAL CONFERENCE ON LIGHT INDUSTRY OPENS

OW051803 Beijing XINHUA in English 1501 GMT 5 Feb 82

[Test] Beijing, February 5 (XINHUA) -- Raising quality and increasing the variety of products are of prime importance for light industry this year, according to Song Jiwen, minister of light industry, speaking at the national conference of light industry which opened here today. The growth target set by the state this year is 7 percent. The minister said, "We pledge to fulfill this task and strive to surpass it."

He said that in 1981 the quality of most products was stable. Some had improved. A number of new items of superior quality has emerged, and varieties that command fast sales have increased. Last year, more than 4,000 new products were developed and manufactured. Of these, food, cosmetics, children's articles and other quality goods took the lead.

The situation of supply falling short of demand has eased, the minister said. "Buyers are now seeking the new, the good, the beautiful, and the inexpensive. They have decided to pick and choose," he said.

Priority in 1982 will be given to the development of 20 items including sugar, cigarettes, wines and spirits, furniture, clothing, children's articles and articles for minority nationalities. Attention must be paid to the production of small commodities that are indispensable to the people. The light industry will improve its quality guarantee system and market research, he said.

Stressing the importance of technical innovation, he said the trades should sum up technical innovations from the masses, and scientific and technical experiments that have been appraised as meeting national standards should be popularized. The Ministry of Light Industry so far has chosen 54 items for adoption by local enterprises. Foreign technology and equipment should also be introduced to accelerate technical innovations, he noted.

The minister said that an overall improvement in the organization of light industrial enterprises will start in 1982. Management of enterprises should be made up of people in the prime of life, of whom technicians and professionals should account for more than half the total.

Enterprises that have failed to correct their problems, such as the incurring of heavy losses for a long time, the production of poor quality or unsalable products, consumption well above state standards of raw materials and energy and causing serious pollution, will be closed or suspended, or be amalgamated with other enterprises or changed to produce other items.

Preparations should be accelerated in 1982 for setting up specialized corporations for producing paper, liquor, aromatics and cosmetics, in addition to those for tobacco, salt, light industrial machinery and arts and crafts already set up. Joint organizations will also be set up this year with key cities as the bases for the development of famous brand products.

The output value of China's light industry in 1981 was 105,800 million yuan, a 10.4 percent increase over 1980, Minister Song said. The production of sugar, bicycles, sewing machines, wrist watches, detergents, beer, wine, refrigerators, leather shoes, cloth slippers all recorded increases of more than 20 percent over 1980. The output of electric fans and washing machines increased 45 percent and 450 percent respectively. The production of plastic products, cigarettes, canned goods, matches, glassware for daily use, leather and dry batteries all increased more than 10 percent last year over 1980.

In 1981, China's light industry earned 5,000 million U.S. dollars in foreign exchange, an increase of 13 percent over 1980. He said technical cooperation with foreign countries, compensatory trade and the processing of supplied materials have been expanded. Agreements of various kinds amounting to 250 million U.S. dollars were signed last year, he said.

NEW MACHINERY PRODUCTS EXHIBITION OPENS

OW061950 Beijing XINHUA in English 1524 GMT 6 Feb 82

[Text] Beijing, February 6 (XINHUA) -- China's latest achievements in machinery, meters and instruments went on display today at the Beijing Exhibition Center at an exhibition sponsored by the First Ministry of Machine-Building and the state bureau of instruments and meters industry.

A new series of DC electric motors, model Y, which comes in 11 types with 65 specifications ranging in power from 0.55 kilowatts to 90 kilowatts in 19 grades, is 15 percent more compact, 12 percent lighter and 0.41 percent more efficient than the older model. With China's electric motor annual output at 16 million kilowatts in 1981, the new motors will represent an annual saving in electricity of 1.3 billion kWh.

More than 20 electric motor enterprises and factories cooperated in designing the new series according to specifications and standards of the International Electrotechnical Commission. Designs were approved by the First Ministry of Machine-Building and other departments in January, 1981. And the model has been put into mass production.

Also displayed at the exhibition is an improved model of the heavy-duty "Liberation" truck produced by the Changchun No 1 motor vehicle plant. Improvements are mainly in carburetors and tyres. Compared with the original model, horsepower has gone up from 95 to 110 and gasoline consumption has been reduced 20 percent. China now produces about 60,000 "Liberation" trucks a year. It will gradually replace 500,000 worn-out trucks with the improved trucks and improve another 800,000 "Liberation" trucks by overhauling and replacing carburetors and tyres.

Rao Bin, minister of the First Ministry of Machine-Building, said that with the readjustment of the national economy, more attention is being paid to market needs and economic results instead of just producing for heavy industry and capital construction as in the past. The objective of the exhibition is to sum up experience and review achievements, so that the machinery industry can better serve the rural economy, the production of consumer goods and technical transformation, equipment overhauling in heavy industry, with emphasis on the energy industry, transport and communications, exports and modernization of national defence.

Minister Rao Bin said all the products exhibited have been approved by the ministry and can be mass produced. On display are 719 pieces of machinery, 321 meters and instruments and 66 exhibits of spare parts, components and [words indistinct] and cutting tools. In addition, there are models, posters or video displays of over 500 large pieces of equipment.

The exhibits, from mini-bearings to large cranes, are divided into four categories: new products serving the rural economy, consumer goods production, transportation and communications, culture and education, medical care and environmental protection; new products for energy conservation and development; new products for technical transformation and renewal of equipment in heavy industry, transportation and communications; and new products based on imported foreign technology. In these categories, models of complete sets of chemical fertilizer equipment, a vertical machining center, 500,000 volt superhigh pressure electricity transmitting and transforming equipment and an electronic railway platform scales are displayed. The exhibition is to close on February 19.

Bo Yibo Visits Exhibition

OWO70010 Beijing XINHUA Domestic Service in Chinese 1146 GMT 6 Feb 82

[Excerpts] Beijing, 6 Feb (XINHUA) -- With great interest, spectators from the capital today watched the operation of a mutton slicer. It cut mutton into slices as thin as paper and automatically piled and divided them into 4-liang portions. This slicer was one of the more than 1,000 items on display at an exhibition which opened today at the Beijing Exhibition Center. The exhibition of new products was sponsored by the First Ministry of Machine Building and the state bureau of instruments and meters industry.

Eight rooms were used for this large exhibition. On display were more than 1,000 new products, scale models and charts of over 500 factories, including motor vehicles, machine tools, meters, instruments, electric motors, general purpose machinery and electric appliances for family use.

While visiting the exhibition, Bo Yibo, vice premier of the State Council, pointed out: This exhibition is very rich in content. It shows that there are great prospects for the machine building industry in expanding the scope of its service and in opening potential markets. We should not only do this work for a period of time but we should also persist in doing it for long time to come. With state planning in the lead, enterprises may actively develop a second or even a third line of products. Now, the problem lies in making products according to consumers' needs and more marketable.

A large portion of the new products on display are ones in the service of light, textile and other consumer goods industries.

CHINA DAILY INTERVIEWS COAL MINISTRY OFFICIAL

HK060106 Beijing CHINA DAILY in English 6 Feb 82 p 1

[By staff reporter Huo Zhenyi]

[Text] Coal, the key fuel in China's economy, looks set for a boom year in 1982.

A spokesman for the Ministry of Coal Industry said in an interview with CHINA DAILY that conditions look good for topping last year's output of 600 million tons.

January's coal output was about 50 million tons, exceeding the month's target by 7.6 percent.

"The production in the first month promises great success for the whole year," he said. "The situation is unprecedented."

The spokesman said the industry hoped to raise its level of mechanisation, upgrade older mines, make better use of foreign investment and improve occupational safety and health.

The ministry is also thinking of introducing pipeline transport of coal. Transport from Shanxi Province, the main coal-producing area, has been a bottleneck. The USA has 8 coal pipelines, the ministry spokesman noted, the longest stretching 1,500 miles (2,400 kilometres).

The spokesman said that because of leadership problems, China produced 50,000 tons less coal than expected each day in the first 4 months of 1981. From May to August, production was better but still not satisfactory.

Then 6,700 leaders from various levels were sent to the mines on more than 400 trouble-shooting missions. There was a marked upturn from September, with average daily coal output exceeding 940,000 tons.

To keep up with national economic development, China's coal production should rise by 20 million tons annually, the spokesman said. But his rise should be kept "sound and stable," he added.

Construction of new coal mines is not the immediate answer to boosting production, he said, "If the cycle of construction could be cut from the present 6 and 1/2 years to 6, it would help. But it usually takes 3 years just to buy the land for a new mine."

He said increased mechanisation was a key measure in expanding production. "State-run coal mines are supposed to produce more than 100 million tons of coal mechanically this year. If the level of mechanical cutting is raised, output will rise accordingly," he said.

The ministry plans to upgrade about 80 old mines which have been producing for over 20 years. Renovation of the old mines will extend their lifespan, the spokesman said.

He said efforts to develop the coal processing industry in the next few years will be characterized by small-sized operations and gasification and liquefaction facilities.

Some foreign firms have expressed interest in helping China tap coal resources, and the ministry has had talks with concerns from Europe, Japan and the USA.

Last year, China exported 6 to 7 million tons of coal to 17 countries.

The ministry spokesman said safety and improvement of workers' living standards could not be neglected.

Serious attention will be given to shortages of housing and drinking water in some coal mining areas, using funds from both the central government and the mines.

TEXTILE INDUSTRY BOOSTS PRODUCTION IN 1981

OW061357 Beijing XINHUA in English 1234 GMT 5 Feb 82

[Text] Beijing, February 5 (XINHUA) -- China's textile industry in 1981 registered a 17 percent increase in output value over the previous year, according to the national conference of directors of textile bureaus, which opened here today. China overfulfilled production targets of all major textile products last year, including 0.518 million tons of chemical fibers, a 15 percent increase over 1980; 17.58 million bales of cotton yarn, a 7.9 percent increase; 14,000 million meters of cloth, a 3.9 percent increase; 110 million meters of woolen fabrics, a 10 percent increase; 73,000 tons of knitting wool, a 28 percent increase; 800 million meters of silk fabrics, a 5.4 percent increase; and 217,000 tons of textile machinery, an 8.4 percent increase. Data at the conference shows a rapid advance in woolen industry.

As a result of the drive to "learn from Shanghai," 33 products have been recognized by the state for super quality. According to incomplete statistics from Beijing, Tianjin, Shanghai, Jiangsu and Liaoning, more than 40,000 new varieties were produced in trail-production last year. In addition, more decorative cloth and textile products are being designed for tourists, the conference said.

China last year built 13 large and medium-sized projects. As a result, one million cotton yarn spindles and 90,000 woolen spindles were added, and finishing capacity was also increased to process 600 million more meters of cotton and woolen fabrics, the conference reported.

With priority on the development of agriculture and light industry in China's national economic construction, the textile industry registered an average annual increase of 18.1 percent in the last three years, it said.

The conference also reported that the consumption level of the Chinese people has markedly risen. According to the conference, China will give attention to improving quality and increasing variety in order to meet market demands.

XUE RENZONG NOTES TRAINING OF INDUSTRIAL CADRES

OW061938 Beijing XINHUA in English 1511 GMT 6 Feb 82

[Text] Beijing, February 6 (XINHUA) -- China has rotated more than 1.6 million leading cadres, managers and technicians in the past three years from the industrial and communications sectors through two-, three- and six-month management training courses, according to Xue Renzong, vice-minister of the State Economic Commission. Speaking at a national conference on industrial cadre management training that opened here yesterday, the vice-minister said that 23 percent of the 7 million cadres in these sectors have therefore received the training.

Priority has been placed on training factory directors and managers, he said. By the end of 1981, 340,000 leaders of state-owned enterprises at county level or above in the industrial and communications sectors had concluded their training, representing 64 percent of the total number of cadres of the same rank. Twenty four provinces, autonomous regions and municipalities are expected to complete the rotation of all administrators and managers of the state-owned enterprises within the year, he added.

One hundred forty participating administrative officials, from provincial economic commissions and industrial ministries under the State Council, as well as colleges and cadre training schools, will summarize and exchange experiences at the meeting. Discussion topics will include a draft cadre training program for the 1981-1985 period, a draft teaching program and training plan for managers. Further measures will also be studied for building more cadre training schools.

A considerable number of top administrators and managers have been retrained, the vice-minister said. A Beijing-based management research course, sponsored by the State Economic Commission and the All-China Federation of Trade Unions, has been conducted 12 times since 1979 with 1,400 top managers from 96 important industrial cities and major enterprises across China in attendance.

In addition, 280 top administrators from all parts of the country have studied the management experiences of Shanghai and other coastal area through a Shanghai-based training class jointly run by the commission and the municipality, he said.

In order to learn from other countries' experiences, the vice-minister said, China and the United States established a center for training Chinese industrial and scientific managers in Dalian in 1980. So far the center has trained 350 factory managers, technicians and teachers.

Special attention has been devoted to training outstanding young and middle-aged cadres, Xue noted. In 1981, there were over 7,000 such cadres in the industrial and communications sectors studying at colleges and universities. The duration of study ranges from one year to three.

Trainees spent their time studying the party's principles and policies on economic work and courses on economics and management. Many of them also studied foreign languages, and they had to pass examinations before leaving the training centers, he said. During their study, the trainees are paid wages as usual.

In order to meet the needs of training industrial managers, Vice-Minister Xue said, 15 of the country's provinces, autonomous regions and municipalities and 11 industrial ministries under the State Council have set up special cadre training schools. Some 200 colleges and universities have offered courses to trainees.

ZHANG JINGFU ADDRESSES ANHUI ECONOMIC CONGRESS

OW080418 Hefei Anhui Provincial Service in Mandarin 1100 GMT 7 Feb 82

[Excerpts] The Anhui provincial congress of advanced collectives and individuals outstanding in diversified economy concluded a 5-day session in Hefei city on the afternoon of 7 February. At the opening session the delegates of advanced collectives and individuals heard a speech by Comrade Gu Zhuoxin, second secretary of the provincial party committee, a report by Zhou Zijian, secretary of the provincial party committee and governor of Anhui, and engaged in enthusiastic discussions. Some 28 delegates introduced their experiences at the meeting and 24 others delivered written statements. The delegates also paid a visit to the provincial exhibition on diversified economy. They unanimously pointed out that thanks to the provincial congress of advanced collectives and individuals they have broadened their outlook, emancipated their minds, learned their shortcomings, understood the goal of struggle better, heightened their enthusiasm and strengthened their confidence. They pledged to keep in mind the needs of the state and collectives, adequately handle the relations among the state, collectives and individuals, and strive to make greater contributions to the four modernizations in the course of becoming outstanding in diversified economy.

The closing ceremony was held at Hefei's Jianghuai theater at 1430. Comrade Wang Guangyu, secretary of the provincial party committee, announced the start of the closing ceremony following the arrival of all members of the presidium of the congress. Comrade Zhang Jingfu, first secretary of the Anhui Provincial CCP Committee, spoke at the closing ceremony. After highly evaluating Anhui Province's achievements in developing diversified economy, Comrade Zhang Jingfu discusses several questions on the development of diversified economy in Anhui. Having thoroughly studied what was discussed at the meeting, Comrade Zhang Jingfu stressed the following points:

1. It is absolutely necessary to implement the policy of earnestly developing grain production and diversified economy simultaneously. Although the main purpose of our current meeting is to mobilize the masses of people to engage in diversified economy, this does not mean that we should abandon grain production. On the contrary, we must keep a firm grip on grain production at all times so as to guarantee a stable increase in grain output.
2. In developing diversified economy, it is very important to proceed from actual local conditions, adopt different methods, and make greater efforts to improve management.
3. In developing diversified economy, efforts should also be made to promote household sideline production on a still wider scale. Many items of diversified economy are being produced by rural households. Therefore, household sideline production should be regarded as an important link in the development of diversified economy. We must provide rural households with guidance and support.
4. It is necessary to organize some households to engage in diversified economy on a full-time basis so that more experiences and better techniques can be accumulated from promoting diversified economy by other households.
5. In accordance with the needs and wishes of the masses as well as the principle of voluntary participation and mutual benefit, and taking the experts as the backbone forces, each household may take steps to gradually expand the scope of its operation in order to strive for greater economic results.

Zhang Jingfu added: It is necessary to have a planned economy and at the same time give play to the supplementary and regulatory role of the markets on the basis of public ownership. To this end, the following problems must first be solved:

1. We must make the geographical distribution of crops more rational by placing our sowing plans under the guidance of the state and maintaining a proper balance between the sown acreage under food crops and that under cash crops. Meanwhile, the masses in suburban districts should engage mainly in vegetable growing.

2. In dealing with the major farm and sideline products, it is important to implement the policy of unified purchase and assigned purchase. Furthermore, all efforts should be made to guarantee the fulfillment of the unified purchase and assigned purchase quotas laid down by the state. Correct quotas for the unified procurement of major farm and sideline products must be formulated so as to better handle the relations among the state, the collectives and individuals.

3. The contract system must be further promoted so that agricultural production and the state plans can be integrated on the basis of different types of contracts.

All delegates attending the congress called for greater efforts to promote family planning. This is an excellent suggestion, for population growth control is also an important link in planned economy.

Touching on the question of policy stability, Zhang Jingfu said: I would like to remind everyone here once again that we have been doing a very good job in carrying forward the guidelines adopted by the central authorities. The central authorities have recently called on us to adhere unwaveringly to the path of agricultural collectivization, the public ownership of the means of production, and adhere unwaveringly to the various forms of the production responsibility system. Simultaneously with helping the poor and striving for prosperity, we must also adopt various methods to make our country rich and strong. Moreover, efforts should be made to carry on the series of concrete policies and regulations formulated by the provincial party committee in the past. All trades and professions should vigorously support the development of diversified economy by taking a leading role in promoting diversified economy. The party committees and governments at all levels must actively strengthen their leadership by holding special meetings or conducting investigations on diversified economy several times a year so that all related problems can be solved without delay.

In conclusion, Comrade Zhang Jingfu said: [begin recording] I hope all delegates would remember what Comrade Mao Zedong had taught us in the past. The delegates of advanced collectives and individuals must be modest and prudent, guard against arrogance and rashness, maintain our honor, make full use of their strong points and strive to score greater achievements. I also hope that after returning to your posts, you would try to do a better job in publicizing and implementing the spirit of this congress and use this congress as a driving force to promote the diversified economy in Anhui Province on a still wider scale. I want all of you to play the role of a vanguard, backbone element and a bridge in promoting diversified economy as well as in building material and spiritual civilizations. Comrades, I would like to present to you a scroll written by Chairman Hu Yaobang of our party Central Committee, which reads: "Adhere to the Marxist law that 'one divides into two' in our struggle to scale new heights." Wish for still greater achievements in our diversified economic development in 1982! [end recording]

The responsible comrades of the provincial party committee and provincial people's government presented certificates of merits to 542 advanced collectives and the honorable title of advanced workers to 536 individuals.

ZHANG JINGFU VISITS ANHUI EXHIBIT, SALES FAIR

OW070126 Hefei Anhui Provincial Service in Mandarin 1100 GMT 6 Feb 82

[Summary] "Yesterday afternoon and this morning the delegates attending the Anhui provincial conference of representatives of advanced collectives and individuals in developing a diversified economy visited the provincial economic diversification products exhibition and sales fair in several groups. Zhang Jingfu, first secretary of the Anhui Provincial CCP Committee, and other comrades visited the exhibition and sales fair together with the delegates."

The delegates were very impressed with the variety and quality of products on display at the fair. They saw a great potential for developing diversified undertakings in Anhui Province.

ANHUI'S ZHOU ZIJIAN DISCUSSES DEVELOPING ECONOMY

OW060043 Hefei Anhui Provincial Service in Mandarin 1100 GMT 5 Feb 82

[Excerpts] In his report to the provincial congress of advanced collectives and individuals on developing a diversified economy, Zhou Zijian, secretary of the provincial party committee and governor of the province, stressed: In developing a diversified economy, it is necessary to strengthen ideological and political work and successfully build a material and spiritual civilization in the countryside.

He said: Since the 3d Plenary Session of the 11th CCP Central Committee, our rural policies have been correct. The development of the rural economy has been encouraging in the past few years. However, it should be noted that there are still many problems in ideological and political work in the countryside. Measures must be taken to solve such problems in order to improve ideological and political work. It is necessary to mobilize forces in all quarters and adopt effective methods to carry out profound ideological and political education and policy education in the vast countryside. Peasants should be made to understand that our country must follow the road of socialist collectivization in agriculture and that public ownership and the system of production responsibility will never be changed. The cadres and masses should be guided to correctly handle the relationship among the state, collective and individual. At the same time they should also be guided to correctly handle the relationship between respect for the right to make decisions in production and expanded reproduction. They must not eat and spend all they have. They must also distinguish getting rich through hard work from making money by such dishonest practices as speculation and profiteering.

At the congress Governor Zhou Zijian said: For progress in agriculture, we should rely on science. It is more necessary for us to rely on science to develop a diversified economy because its development involves much technical work. In studying and applying science all localities should determine their major scientific research projects according to actual conditions and make efforts to solve problems in developing a diversified economy that calls for an immediate solution. Comrade Zhou Zijian said it is necessary to restore and strengthen agrotechnical organizations at various levels, especially those at the county level, to strengthen the agrotechnical forces and effectively popularize agricultural science and farming techniques.

At the congress Zhou Zijian, secretary of the provincial party committee and governor of the province, said: In planning for the development of a diversified economy, attention should be paid to building small towns in rural areas. He said that with the development of a diversified economy, rural economic activities and peasants' material and cultural activities will be further enlivened. To correspond to this situation it is necessary to rely on collective strength to build small towns while developing a diversified economy. Such small towns in rural areas should be gradually build into local political, economic and cultural centers.

XIANG NAN URGES FUJIAN TO FIGHT AGAINST GRAFT

OW060931 Beijing XINHUA Domestic Service in Chinese 0705 GMT 6 Feb 82

[Text] Fuzhou, 6 Feb (XINHUA) -- At a meeting of party members and responsible cadres of organs under the direct administration of Fujian Province, held on the afternoon of 5 February, Xiang Nan, first secretary of the Fujian Provincial CCP Committee, called on all organs under the direct administration of Fujian Province to set a good example for the whole province and vigorously strike at various activities of smuggling, corruption and graft.

Xiang Nan said it is not possible to carry out smuggling and speculation activities without collusion between the higher level and the lower level and between those inside and those outside. Therefore, we must wage struggles on both sides. First we must resolutely strike at graft, embezzlement and other criminal activities within the party. The bigger the organization, the higher the rank of the person involved and the more serious the case. Such cases must be handled more promptly and strictly. Second, particular attention must be paid to those upstarts who have reaped staggering profits of several ten thousand yuan over a hundred thousand yuan and even several hundred thousand yuan within a very short period. We must resolutely strike at them, confiscate their properties and convict them according to law to make them suffer personally and financially.

Why are we unable to resolve some major and important cases over a protracted period? Xiang Nan pointed out: This is simply because of the following reasons: 1) Leading cadres themselves are not clean. They fear that the cases might involve them. 2) Factionalism is causing trouble. It is difficult to make decisions. 3) The leading group is weak and incompetent. 4) There are many worries. He called on all units with the aforementioned problems to earnestly conduct self-examination in close connection with the actual situation.

Xiang Nan demanded that in handling all violations of the law and discipline, the party organizations at all levels in Fujian must draw a clear demarcation line between normal economic activities with foreign countries and speculation, between trading with Taiwan and smuggling, between shortcomings and errors in work on the one hand and embezzlement and graft on the other, and between the period before the publication of the "guiding principles" and the period after the publication of the "guiding principles."

Calling on the organs under the direct administration of the province to set a good example for the whole province, Xiang Nan said the present situation shows that the overwhelming majority of the responsible cadres in the organs under the direct administration of the province are good and law-abiding. However, some of them are dishonest and are carrying out unhealthy practices. For example, they often occupy more quarters than they need; they shift their rural household registration to urban household registration; they try to seek employment or school admission for their children using their influence; and they accept gifts or bribes. In dealing with those unhealthy practices, especially those carried out after the publication of the "Guiding Principles for Inner-Party Political Life," we must never say: "Just this once." We must correct those unhealthy practices and should never yield to them.

Xiang Nan also emphatically pointed out that the organs under the direct administration of the province must work hard with tremendous drive and raise their work efficiency. Government organs and various departments of the party must learn from the Organization Department of the CCP Central Committee in overcoming the unhealthy practice of carrying out work dilatorily, sluggishly and irresponsibly. All the people working for the organs under the direct administration of the province from messengers to staff members, department heads and the governor, must work very hard to take the initiative in receiving visitors, performing their jobs and making the people feel warm and cordial.

SHANDONG COMMENTARY URGES INCREASED EXPORT TRADE

SK072245 Jinan Shandong Provincial Service in Mandarin 2300 GMT 6 Feb 82

[Station commentary: "Developing Foreign Trade Is a Strategic Issue in Socialist Construction"]

[Text] Since the 3d Plenary Session of the 11th CCP Central Committee and following implementation of the liberalized foreign policy, Shandong Province has made great progress and scored achievements in foreign trade. However, we still do not have a good understanding of the significance of developing foreign trade. We have not abandoned the mental bondage of self-sufficiency and small-scale peasant economy; as a result, our field of vision is not broad enough, our policy is not flexible and our measures are not effective.

In achieving socialist modernization, it is necessary to take self-reliance as our main principle and external aid as a subsidiary one. However, self-reliance does not mean that we close the country to international trade and does not imply self-sufficiency. To boldly apply foreign investments, technology and knowledge to serve our economic development while upholding self-reliance is an important measure in developing a self-reliant economy. In recent years, by applying foreign investment and loans and importing advanced technology and equipment, our province has succeeded in technical renovations in over 330 medium and small enterprises, resulting in upgrading and modernizing product quality and style and in increasing new production avenues. To actively develop foreign trade and broaden the technological field are important ways to upgrade the level of modernizing industries and accelerate progress in economic development.

Our province has a large population and a small amount of land. It is endowed with abundant material resources but is backward in economic and technological fields. All of this involves a great contradiction. To solve this contradiction by the end of the century in trying to achieve the goal of prosperity, it is impossible for our province to fulfill the task only by growing crops and raising animals. We should develop a diversified economy, operate more commune-brigade-run enterprises and expand commodity production. Many products in a diversified economy and commune-brigade-run enterprises benefit from developing foreign trade. According to statistics, in line with the procurement value of farm, sideline and handicraft products, rural areas throughout the province earned 1.5 billion yuan each year through exports. The per-capita income among the agricultural populace is over 20 yuan. In recent years, the province has arranged jobs for over 2 million surplus laborers in developing enterprises to produce export commodities in line with the needs of foreign markets and the principle of promoting exports by importing raw materials and technology and of processing goods with materials or patterns supplied by foreign customers. We must note that surplus labor will increase. Our province may transfer over 10 million surplus laborers to the program to develop a diversified economy. Without the export outlet, it would be difficult for our province to deal with surplus labor. Therefore, foreign trade has a vital bearing not only on the masses' income but also on security. Generally speaking, foreign trade is an important measure in promoting production, opening more financial sources and solving our province's financial difficulties.

Shandong is a coastal province with many fine harbors. The province has an industrial and agricultural production foundation. This is good in developing foreign trade. Party committees at all levels and economic departments should work to emancipate their minds, enhance their understanding, make best use of their strong points and be good at or dare to take various measures to implement the principle of promoting exports and domestic technology by importing raw materials and advanced technology and making concerted efforts to expand foreign trade and technical exchanges to accelerate the development of the national economy.

SHANGHAI GARRISON COMMAND MEETS ON MILITIA WORK

OW050251 Shanghai City Service in Mandarin 2300 GMT 4 Feb 82

[Text] Shanghai Municipality achieved new success in militia building last year as the party CCP committees and the people's governments at all levels strengthened their leadership over militia work. The military training in all aspects was rated excellent on the whole. The broad masses of militiamen have made still greater contributions to developing material and spiritual civilization.

The Shanghai Garrison Command called a militia work meeting 1 - 3 February which affirmed the success scored in militia work last year and laid out the main tasks for this year's militia work. Commander Wang Jingkun and Political Commissar Zhang Chen spoke at the meeting. They emphasized that efforts should be exerted to put the military work on a solid basis organizationally, politically and militarily and to develop material and spiritual civilization so as to further improve the militia's political and military quality and fighting strength and to make the militiamen a mainstay in militia building.

HUNAN MEMORIAL MEETING FOR MAO'S FORMER IN-LAW

HK060312 Changsha Hunan Provincial Service in Mandarin 2310 GMT 4 Feb 82

[Text] Comrade Yang Kaizhi, member of the National Committee of the CPPCC and vice chairman of the provincial CPPCC committee, died of an illness in Changsha on 26 January 1982 at the age of 84. A memorial meeting for Comrade Yang Kaizhi was held at the assembly hall of the provincial CPPCC committee yesterday morning. The National Committee of the CPPCC, the United Front Work Department of the CCP Central Committee, the Hunan Provincial CCP Committee, the standing committee of the provincial people's congress, the provincial people's government, the provincial CPPCC committee and the PLA units in the province sent wreathes to the meeting. Li Weiham and Hu Ziang, vice chairmen of the National Committee of the CPPCC; Mao Zhiyong, Wan Da, Zhou Li, Sun Guozhi, (Wang Yanchun), Jiao Linyi, Liu Fusheng, (Zhao Chuqi), Wang Zhiguo, Dong Zhiwen and other responsible persons of the provincial CCP Committee, people's government and PLA units in Hunan; and the responsible persons of the provincial CPPCC committee and various democratic parties in Changsha also sent wreathes to the meeting. Comrade Yang Kaizhi's nephew Mao Anqing and his wife Shao Hua also sent a wreath. The latter even made a special trip to Hunan Province to participate in the memorial meeting. More than 700 people were present at the meeting.

Sun Guozhi, secretary of the provincial CCP committee presided over the memorial meeting, and Liu Fusheng, secretary of the provincial CCP committee, delivered the memorial speech. The memorial speech read: "Comrade Yang Kaizhi was the elder brother of the revolutionary martyr Yang Kaihui, and a native of Changsha county. After liberation, he worked successively at the agricultural department, a tea company and other units in the province. From 1959 on he was elected a member to the third and fourth provincial CPPCC committees. From 1979 on he was elected a member to the Fifth National Committee of the CPPCC and vice chairman of the provincial CPPCC committee."

The memorial speech said: "In his youth, Comrade Yang Kaizhi was inspired by Mao Zedong, Li Dazhao, Cai Hesen, Deng Zhongxia and other proletarian revolutionaries. He esteemed Comrade Mao Zedong and was in sympathy with the marriage of Comrade Mao Zedong and Yang Kaihui. When Comrade Mao Zedong engaged in revolutionary activities in Changsha, Comrade Yang Kaizhi and his family provided him with great economic support. Although his family suffered all kinds of persecution under the rule of the Kuomintang, he never wavered in his faith and remained loyal to the revolutionary cause. With an open and aboveboard style and a lofty moral integrity, he was really worthy of the title of steadfast supporter to the Chinese revolution. After liberation, he was received and encouraged many times by Chairman Mao. He always supported the leadership of the CCP and the socialist system. He thoroughly studied Marxism-Leninism-Mao Zedong Thought, and thus made valuable contributions to the improvement of tea processing. Comrade Yang Kaizhi was strict with himself and lenient with others. He led a simple life and was always glad to help others. Therefore he enjoyed a certain degree of reputation and influence among the masses of the people."

All comrades participating at the memorial meeting expressed cordial sympathy for the children and relatives of Comrade Yang Kaizhi.

HUNAN MILITARY DISTRICT INCREASES EFFICIENCY

HK060254 Changsha Hunan Provincial Service in Mandarin 1100 GMT 4 Feb 82

[Text] In the course of rectification, the organs of the provincial military district have recently improved their work style in handling important documents and important matters. Face-to-face leadership has been exercised between the leading and the led, the malpractice of "dispatching official documents on a journey" has now ended and work efficiency has been raised.

In the past when an organ of the provincial military district received a telephone notice from its upper-level organ and was required to handle an important document, according to the usual practice, its work personnel personally took the document to the leadership of the provincial military district for perusal, to a deputy commander for perusal and later to the commander for perusal and to the leadership in charge of this work for perusal and later to other leadership for perusal. Although a document was passed through seven or eight departments and "traveled" many days and many leaders made circles round their names on the document, the problem was sometimes not solved. In the event that the views of the leaders differed, the matter was temporarily put aside, was settled by leaving it unsettled and was delayed.

On 29 January this year, after study, the principal leading comrades of the provincial military district decided that in the future when there is an important matter or an important document is handled and the leadership must be asked for an instruction or a decision, the leadership of a section and a department will study it face-to-face. If they cannot make a decision, it will be left for the leadership of a department and the relevant leadership of the provincial military district to study face-to-face and make a decision. Work personnel should no longer be required to go around organs and ask leading cadres one by one for their views. The malpractice of "dispatching official documents on a journey" must cease.

On the same day, the political department of the provincial military district received a telephone notice from its upper-level political organ on the problem of cadres. The leadership of the section and the department and the principal leading comrades of the provincial military district studied the problem together and issued a circular to all subordinate units. It took less than 20 minutes from the receipt of the notice and the issuing of the circular.

On 30 January a principal leading comrade of the provincial military district received a letter from the masses, which disclosed that a leading comrade of a certain unit had adopted a privileged lifestyle. He immediately conducted investigation, held talks with this leading cadre on the same day and conducted ideological education on him without passing the letter on to the lower level through various levels of organs.

HUNAN MILITARY DISTRICT HOLDS POLITICAL MEETING

HK060521 Changsha Hunan Provincial Service in Mandarin 2310 GMT 5 Feb 82

[Text] Hunan Military District held a political work conference 1-3 February, attended by responsible comrades of military subdistricts and units at and above regimental level. The meeting concentrated on studying how to implement the guiding principles for political work in the PLA and promote the building of spiritual civilization in the units.

The meeting decided to get a good grasp of rectifying the ideological work style of CCP committees at and above regimental level and in the organs to bring about a decisive turn for the better in the party work style. This effort is to be focused on opposing bureaucratism and improving leadership style and methods; opposing individualism and strengthening the sense of the revolutionary cause; and opposing liberalism and strengthening the sense of organization and discipline. At the same time it is necessary to resolutely correct unhealthy trends in the economic field.

The meeting demanded that the commanders and fighters of all units under the military district do well in studying Marxism-Leninism-Mao Zedong Thought and the party's line, principles and policies, so as to raise the ideological awareness of the cadres and fighters to a new level.

It is necessary to strengthen grassroots political and ideological work, to bring about a big change in the grassroots. It is necessary to carry out universal education in loving the motherland and the army and to strengthen the sense of honor and responsibility of the commanders and fighters in defending the motherland and the four modernizations. It is necessary to launch a mass drive to create progressive companies and individuals in building spiritual civilization, and force an atmosphere of creating, learning from and catching up with the progressives. It is necessary to carry out deepgoing activities in supporting the government and cherishing the people and actively support local socialist construction. Every unit should do some good deeds that have a big effect, produce quick results and directly benefit the local masses, so as to further strengthen army-government and army-people unity.

HUNAN NOTICE ON SHAOSHAN ADMINISTRATION, FINANCE

HK070600 Changsha Hunan Provincial Service in Mandarin 2300 GMT 6 Feb 82

[Text] According to HUNAN RIBAO, the provincial CCP committee issued a notice on 13 January on dealing strictly with violations of financial and economic discipline involved in the administrative change affecting the former Shaoshan District. The committee also conducted a self-examination in the notice concerning the incident.

The notice said: In the course of abolishing Shaoshan District and reestablishing the Shaoshan Administrative Bureau of Hunan of 1980, the former Shaoshan District CCP and revolutionary committees and certain subordinate organs gravely violated financial and economic discipline, distributed souvenirs on a lavish scale, and privately shared out public funds and property, thus causing the state unnecessary economic loss and having a very bad political effect on the party. The provincial CCP committee pointed out in the notice the lessons of the occurrence of this serious violation of financial and economic discipline in the course of abolishing Shaoshan District are profound. The provincial CCP committee hopes that party organizations at all levels and the cadres will learn a lesson from this. In particular, units being closed, suspended, amalgamated or shifted to other productions should cite this as an example and avoid a recurrence of similar incidents.

BRIEFS

GUANGXI ASSIGNED PURCHASE CIRCULAR -- The Guangxi Regional People's Government recently issued a circular on the assigned purchase of pigs, chickens and eggs. The circular demands that beginning 1 February this year, all prefectural administrative commissioner's offices, all municipal and county people's governments and relevant departments seriously implement all provisions in the circular and do well in the assigned purchase of pigs, chickens and eggs. Assigned purchase of pigs, chickens and eggs will remain unchanged for 3 years from 1982. Each year the state should purchase 2 chickens and 1 jin of eggs from each peasant household in 50 counties which are near the seats of four municipalities and the prefectures and the key industrial and mining areas. The other counties will decide themselves whether or not they should carry out the assigned purchase. The circular emphatically points out that all localities must vigorously implement the contract system and perfect the method of management of assigned purchases. Food departments must sign contracts with production teams and peasant households for assigned purchases. After fulfillment of a contract the food department must give .3 percent of the total amount of the contract to the brigade. All butchers must be registered immediately. [Nanning Guangxi Regional Service in Mandarin 1100 GMT 2 Feb 82 HK]

HENAN COAL PRODUCTION -- Output of raw coal in Henan Province in January was 4.72 percent more than in January 1981. The province overfulfilled its raw coal production quota in January. [Zhengzhou Henan Provincial Service in Mandarin 1100 GMT 3 Feb 82 HK]

SICHUAN RIBAO ON MAINTAINING FLOOD-FIGHTING ZEAL

HK060340 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 3 Feb 82

[SICHUAN RIBAO 4 February editorial: "Strive To Achieve This Year's Struggle Objective With the Same Zeal Maintained While Fighting Floods and Doing Relief Work"]

[Text] The editorial says: For this new year, the provincial CCP committee has set a clear struggle objective for the people throughout the province, that is, we must unswervingly continue to implement the line, principles and policies of the party formulated since the 3d Plenary Session of the 11th CCP Central Committee. In compliance with the principles of the major policy which were recently reiterated by the central authorities, we must unite as one, heighten our enthusiasm and make even greater progress in building socialist material and spiritual civilization than last year. Economically, we must persistently use the planned economy as the main method and market regulation as an auxiliary method. In total industrial and agricultural output value of the whole province, we must ensure "guaranteeing three, striving for four and struggling for five," that is, ensure that there is 3 percent growth increase over last year, strive for a 4 percent increase and struggle to catch up with the national level of a 5 percent increase. Politically, we must further achieve stability and unity and strive for a decisive and visible change in the work style of the party, the general mood of society and social order.

On the basis of the requirements of the CCP Central Committee, after analyzing our province's situation and taking subjective and objective conditions into consideration, the provincial CCP committee has put forth the 1982 tasks, which have therefore been placed on a reliable foundation.

The editorial demands: The whole party and all people must further heighten their enthusiasm, demonstrate confidence, go all-out, maintain the same zeal in a down-to-earth manner as displayed in fighting floods and doing relief work last year, foster the revolutionary spirit of fearing no difficulties, race against time, contend for the initiative, work with one heart and one mind, bravely advance and achieve the struggle objective which the provincial CCP committee has formulated.

The editorial points out: With a view to achieving the struggle objective which the provincial CCP committee has formulated, as they did in fighting floods and doing relief work, leaders at all levels must go to the production frontline and among the masses, go deep into reality and solve problems in a timely manner when discovered. As they did in fighting floods and doing relief work, they must fear no difficulties, be bold and good at struggle, do everything possible to accomplish tasks and have a high degree of a sense of responsibility. As they did in fighting floods and doing relief work, they must adopt an overall concept of keeping the whole situation in mind, coordinate all the activities of the nation like pieces in a chess game, do everything according to state planning and ensure that the upper and lower levels will make concerted efforts to fight for a specific objective. As they did in fighting floods and doing relief work, they must commend the advanced collectives and advanced individuals on a grand scale, universally publicize their good thinking and good work style and whip up an upsurge of emulating, learning from, catching up with, helping, in turn surpassing each other, rendering meritorious service and creating models. On all fronts, in all departments and at all posts throughout the province, we must create a good atmosphere that it is glorious to be advanced and to strive to make contributions. As they did in fighting floods and doing relief work, party organizations at all levels and cadres must closely integrate with the masses, share weal and woe with the masses, do what the masses expect and urgently need, and work out plans for the masses. They must establish the idea of wholeheartedly serving the people. They must serve as examples everywhere and at all times. They must perform their duty in improving the relations between the party and the masses and between the cadres and the masses. This is an important guarantee for achieving this year's struggle objective in our province and is a source of strength when striving for new victories.

SICHUAN REPORTS FOREIGN TRADE DEVELOPMENTS

HK081148 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 6 Feb 82

[Text] According to SICHUAN RIBAO, with the approval of the Ministry of Foreign Trade, our province has greatly promoted direct exports to foreign countries. The proportion of direct exports has been increased from about 5 percent before 1980 to about 20 percent at present. Being a new port of entry for foreign trade, our province has established direct trade relations with five continents and thus opened up new prospects in direct export.

In order to establish extensive trade contacts with the advanced world, an exhibition of our provincial export goods was held in Philadelphia last March. This was successful in introducing some important provincial products to the American market. Last year, some sales groups were sent by relevant professional foreign trade companies to Japan, West Germany, Australia, New Zealand, Kuwait, Hong Kong and other countries and districts to promote the sale of our province's products, establish contacts with our customers, investigate the markets and develop trade relations. At the same time nearly 100 trade groups and customers were invited to our province to hold trade talks with us. Now our provincial foreign trade companies have established cooperative and trade relations with more than 800 customers in 63 countries and districts which are distributed over 5 continents of the world. In the international market we have already attracted customers and evolved markets for some major export goods of our province. Some foreign trade companies have even signed agreements with reliable and capable customers for distributing, or becoming agents for, some of our commodities. This will help to find good markets for our export goods.

This year our province has decided to directly export more commodities. This state has also set a higher requirement for our province in regard to exports and collecting foreign exchange.

TAN QILONG VISITS SICHUAN POWER STATION WORKSITE

HK020911 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 1 Feb 82

[Summary] On 26 January, Tan Qilong, provincial first party secretary, visited the (Tongjiezhi) worksite and happily spent Spring Festival with workers of the 7th Bureau of the Ministry of Electric Power Industry. Those who accompanied him on the visit included (Li Zhaoliang), first prefectural secretary of the Lishan Prefecture CCP Committee, (Zhang Shaoxian), prefectural party secretetary and director of prefectural administrative office, and (Xie Wancai), mayor of Leshan municipality, and others.

At 0930 Comrade Tai Qilong arrived at the (Tongjiezhi) worksite. First of all, he looked into the land formations of the power station worksite. He also inquired specifically about the position of the dam of the power station, its geological structure and problems being encountered in construction. He asked about the pivot of the power station and examined the blueprint of the station.

Comrade Tan Qilong said: "The provincial CCP committee is determined to carry out this project because the rate of construction in Sichuan is determined by energy sources. At present, we are carrying out three power station projects. We have done a lot of work on the (Tongjiezhi) project and the progress of this project is far better. Much progress has been scored. Sichuan will also speed up the development of its industry, agriculture and economy."

XIZANG RECEIVES RETURNED TIBETAN COMPATRIOTS

OW061140 Beijing XINHUA Domestic Service in Chinese 0014 GMT 6 Feb 82

[Excerpt] Lhasa, 6 Feb (XINHUA) -- According to data provided by a unit concerned in the Xizang Autonomous Region, more than 760 compatriots of Tibetan nationality have returned to Xizang from abroad to visit their relatives during the past 3 years. More than 170 of them have settled in the autonomous region.

Beginning in 1979, Xizang began receiving compatriots of Tibetan nationality from abroad who had come back to Xizang to visit their relatives and those who had come to settle down in the autonomous region. Following the continuous implementation of the important instructions issued by the party Central Committee on the work in Xizang, agricultural and pastoral production in Xizang has been developed and the people's livelihood has been significantly improved. More and more compatriots of Tibetan nationality living abroad have asked to return to Xizang to visit their relatives and to settle down in the autonomous region.

At present, special organs have been set up in Lhasa, Xigaze, Zhangmukouan and other localities to receive the compatriots of Tibetan nationality from abroad, and special funds have been allocated to help them settle down.

XIZANG PLA DISCIPLINE GROUP ACTIVITIES REPORTED

HK080930 Lhasa Xizang Regional Service in Mandarin 1130 GMT 6 Feb 82

[Text] The discipline inspection committee of the CCP committee of a certain artillery regiment of a PLA unit stationed in Xizang region has adhered to principles, upheld the regulations and laws of the party and strove to promote the party's work style. It has been praised by the cadres and the fighters. It has come to understand that eliminating the state of laxness and weakness is an important task of the ideological front as well as an important work of discipline inspection departments at all levels. It has therefore actively helped its CCP committee seriously analyze various forms of laxity and weakness in the PLA unit. It has been bold in handling all violations of discipline and in criticizing all kinds of unhealthy trends justly and forcefully.

Since its establishment the discipline inspection committee has established all systems and put them on a sound basis. Last year they handled 126 letters from, and visits by, the masses. They never delayed nor shifted onto others the handling of the masses' letters and visits. They answered all letters and handled all matters. When its upper-level discipline inspection committee notified it of the 12 problems which the masses had reported concerning this PLA unit, the discipline inspection committee conducted investigation to verify the facts. It reported the results of the investigation and its view on handling the matters to its upper-level discipline inspection committee.

The discipline inspection committee of the CCP committee of this artillery regiment has grasped the correcting of unhealthy trends in the economic sphere as a part of its important work. In order to strictly prevent the cadres from eating more and having more benefits than the fighters and from encroaching on the fighters' interests, they have reiterated the regulation that cadre's dependents who live with the PLA unit must buy staple and nonstaple food from the food and oil supply centers of the regiment according to standard rations. They have stressed that the army and the catering units have no right to sell staple and nonstaple food. They have also curbed the cadres' malpractices of making their own meals and using timber to make cases and furniture.

BRIEFS

XIZANG PLA CLEANS STREETS -- On the morning of 23 January, some 3,000 cadres and fighters of organs of the Xizang Military District braved chilly winds and went to clean streets in Lhasa municipality so that the cadres and the masses in the municipality can spend the Spring Festival in a clean manner. Leading comrades of the regional military district, including Qie Jinwu, (Ge Wuxian), Wang Juquan, (Zhang Guirong), (Ma Dejie), (Jiang Hongquan), (Gao Fengshan), (Wang Daxuan) and (Da Chuan), also went to clean streets with the cadres and fighters. The regional military district has decided to regard cleaning streets and beautifying the urban appearance as a long-term task of supporting the government, cherishing the people and building spiritual civilization. [Lhasa Xizang Regional Service in Mandarin 1130 GMT 24 Jan 82 HK]

HEILONGJIANG'S YANG YICHEN AT LANTERN FESTIVAL

SK070316 Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 6 Feb 82

[Excerpt] According to our reporter, (Liu Wanbin), Harbin municipality's workers palace was decorated with numerous festive lanterns and echoed with beautiful songs on the evening of 6 February. Over 1,500 persons including noted scientists, professors and scientific workers on many fronts and editors and reporters on the journalism and publishing front happily gathered at the palace to attend the Lantern Festival soiree sponsored by the provincial scientific and technological association and the provincial society of science, technology and journalism.

Before the soiree began, Yang Yichen, Li Lian, Chen Lei, Zhao Dezun and Li Jianbai, leading comrades of the provincial CCP committee, the standing committee of the provincial CCP committee, the provincial people's government and the provincial CPPCC committee cordially received noted scientists including (Lu Weihai), (Wang Jinling), (Wang Liansheng), (Yan Suxian), (Yuan Yonghan), (Yang Xianbi), (Li Zongying) and (Wang Lanfu) as well as other personnel of journalism and publishing circles -- more than 200 comrades in all.

Yang Yichen, first secretary of the provincial CCP committee; Li Lian, second secretary of the provincial CCP committee; and Li Jianbai, secretary of the provincial CCP committee, spoke at the beginning of the soiree. They said: We are very happy to spend the Lantern Festival with you -- scientists and personnel of journalism and publishing circles. You have made great contributions to serving the economy and construction with science and technology in the past year. You have done much work in publicizing scientific and technical news. I hope you will continue to give full play to your wisdom and talent to make new contributions to exploring the advantages of our natural resources to build contributions to exploring the advantages of our natural resources to build the five major bases in our province. They said: Scientists should serve as close advisers of party and government leading comrades, and leading comrades should become intimate friends of scientists.

Following them, (Wang Jinling), a noted soybean expert, spoke at the soiree on behalf of scientists.

JILIN SETS BASE QUOTAS FOR 10 PRODUCTS

SK070624 Changchun Jilin Provincial Service in Mandarin 1100 GMT 6 Feb 82

[Text] According to our correspondent, (Ca Maoxun), the provincial people's government recently issued a circular deciding to set beginning this year on a trial basis, base quotas for procurement and allocation of 10 second-category farm and sideline products -- flue-cured tobacco, sun-cured tobacco, beef, mutton, eggs, edible fungus, cattlehide, mule hide, sheep hide and wool -- which are relatively important in industrial production and the people's daily life.

The circular urges all localities to implement the principle of correctly handling the relations between the interests of the state, collectives and individuals and set rational base quotas for procurement and allocation of these products in accordance with different situations, actual procurement and allocation volume in the past 3 years and possible production development in the future. The fixed quotas should be observed at every level. After the base quotas are fulfilled, different measures can be adopted to handle the surplus products based on their specifications in accordance with related stipulations of the State Council.

In order to implement the principle of regarding planned economy as a key link and market economy as a supplement, the circular explicitly stipulates: No locality is allowed to sell in its territory or transport to other localities the above-mentioned 10 products before it fulfills the base quotas. Industrial and commercial administration departments must strengthen market management and strictly supervise the fulfillment of contracts signed between producing and marketing departments.

JILIN URGES FOLLOWING STATE FARMING PLANS

SK061140 Changchun Jilin Provincial Service in Mandarin 1100 GMT 5 Feb 82

[Station commentary: "Intensify Overall Point of View To Successfully Implement Farming Plans"]

[Text] Making farming arrangements according to the state plan is an important task in our preparations for plowing and sowing. At present, most communes and brigades in our province have established responsibility systems in production. However, some production teams, especially some work groups and households with contracts, are not making farming arrangements according to the state plan and only grow what they want to, thus adversely affecting implementation of the state farming plan. This problem merits attention by all localities and should never be neglected.

To solve this problem leaders at all levels should visit with the masses to conduct ideological work and educate and guide them in implementing the party's principle of vigorously developing a diversified economy while grasping grain output. Leaders should explain to the masses that no matter what form of responsibility system they adopt, they must uphold socialist orientation, adhere to the principle of regarding a planned economy as the key link and a regulated market as secondary, and make proper arrangements to rationalize the ration between acreage sown to cash and grain crops. The masses should understand that cash crop development should mainly rely on the increase of per-unit yield and better quality and not on reducing acreage dedicated to growing grain. The areas sown with grain crops should be stabilized. All localities suitable for growing grain must engage in grain production in accord with the state plan. Meanwhile, a diversified economy should also be developed under the guidance of the state plan.

If we think only of present profits, select farming methods which only benefit ourselves and just sow crops that will make more money, the state plan will fail, the four modernizations drive will encounter obstructions and the peasants' long-term interests will be harmed. A principle is correct only when it benefits both the state and individuals. Only when we make farming arrangements according to such a correct principle can agriculture develop comprehensively.

LIAONING FORUM DISCUSSES PARTY LAWBREAKERS

SK071033 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 6 Feb 82

[Text] According to LIAONING RIBAO, the discipline inspection commission of the provincial CCP committee recently sponsored a forum of secretaries of various municipal and prefectural discipline inspection commissions on dealing with major criminal cases. The forum pointed out we must vigorously and speedily investigate and handle major law violations committed by party members. Leading party units at all levels and their responsible persons should not be irresolute nor hesitate in handling law violations committed by party members and should not be indulgent toward their mistakes. Otherwise, leadership responsibility will be investigated.

The forum noted that the key to improving public security and social practices lies in improving the party's work style. In the past year our province implemented the instructions issued by the party Central Committee and its Discipline Inspection Commission, handled many law violations and scored achievements in supporting good practices and eliminating evils.

The major law violations discussed at this forum involved cases of smuggling, profiteering and speculation, accepting and offering bribes, graft and embezzlement, serious violations of financial and economic disciplines concerning secretly dividing up the state's property, cases of shielding and conniving with evildoers, cases of retaliation, cases of colluding with foreign merchants to engage in illegal business deals which damage state interests and cases of cheating which caused heavy losses in the state and collective economy. If we fail to seriously handle these law violations it is impossible to improve the party's work style. We should first investigate and handle those economic crimes involving responsible cadres. Those in serious trouble should be dealt with severely.

PRC NEGOTIATION OFFER ON ARMS SALE ISSUE TRAP

OW080452 Taipei CHINA POST in English 2 Feb 82 p 4

[Editorial: "Beware of Peiping's Traps"]

[Text] Peiping's latest offer to negotiate with the United States for an end to U.S. arms sales to the Republic of China within a certain time limit represents a trap for the United States to sell its friend and former ally down the river.

The offer was contained in a commentary by the HSINHUA NEWS AGENCY as "a major gesture of compromise" while denouncing Senator Jesse Helms, Rep., N. Carolina, as trying to blackmail Red China in saying that Peiping is trying to blackmail the United States.

The commentary said that "always mindful of the larger interests, Red China is willing to negotiate with the United States for an end to the sales within a time limit." By calling for negotiations, the commentary noted, "it is exercising its right to safeguard its own sovereignty while giving due consideration to the other party."

The above double talk aims to drag the United States to the negotiation table on matters of U.S. foreign and military policy concerning the Republic of China and on the implementation of the Taiwan Relations Act which is exclusively the responsibility of the U.S. administration and the U.S. Congress. They are none of the Peiping's business and its claim to be concerned with them should be rejected outright.

Peiping's claim that it is exercising its right to safeguard its own sovereignty is even more preposterous as it attempts to claim jurisdiction over Taiwan which has belonged to the Republic of China historically and ever since the Japanese Government surrendered it to the Republic of China as a result of the Cairo Declaration and the glorious victory over Japan by the armed forces of the Republic of China, together with the allied forces of the United States.

The United States should reject any such contention by the Peiping regime even though President Reagan's predecessors have been misled into making mistaken statements and acts to the contrary. As a matter of fact, the Chinese mainland belongs to the ROC, and shall be recovered by it.

It has been an old trick of the Peiping regime to retreat one step in order to advance two or more steps. The latest HSINHUA commentary appeared to offer some compromise or concession. Actually, it was designed to forestall any more sales of arms and planes to the Republic of China in the future, so as to weaken its defense to be ripe for Peiping's seizure by force in the future.

It is hoped that the Reagan administration would not be deceived by Peiping's ridiculous suggestion and be firm in its determination in implementing the Taiwan Relations Act. It should tolerate no interference whatsoever from any sources in its conduct of foreign and military policy of cooperation with its friends and allies in safeguarding the security and peace of the Asian and Pacific region.

U.S. congressional leaders and the American people should also pay close attention to the sinister maneuvers of the Peiping regime which might bewilder some administration officials to act against President Ronald Reagan's forthright foreign policy as contained in his campaign promises. They should not only warn the administration officials against any more concession to the Peiping regime at the expense of the Republic of China, such as the latest State Department announcement on the denial of the sophisticated plane sales to the Republic of China, but also encourage the administration officials to carry out the Taiwan Relations Act without hesitation and reservation and to tolerate no outside interference.

The American people should realize by now the futility of playing the China card as Peiping cannot do anything to help the United States in countering the Soviets. In the Polish crisis, Peiping has been blackmailing the Reagan administration as Senator Helms has rightly stated. Yet up to now, it has failed to condemn the Polish Government or the Polish Communist Party. But the leaders of the Republic of China have announced their open support of the Solidarity labor movement and denounced the Polish repression. It is time to realize that the people of the Republic of China remain the genuine friends of the United States and the American people.

SELF-RELIANCE URGED IN ARMAMENTS INDUSTRY

Defense Minister Comments

OW041545 Taipei International Service in English 0100 GMT 4 Feb 82

[Text] Defense Minister Sung Chang-chih has told the press that the Republic of China has taken steps to overcome obstacles to upgrading its military armament. Mr Sung said that the nation has already made progress in surmounting the difficulties that had been posed by American refusal to sell more advanced weaponry to Taiwan. He said that an all-out effort is being made to develop the domestic armament industry. The country already has the capability of manufacturing standard weapons and has made progress in more sophisticated types of arms such as antisubmarine missiles, antitank missiles and self-propelled howitzers. He also said that the government will also seek other foreign sources of supply for more sophisticated weaponry to eliminate the bottleneck caused by the current arms sale policy of the United States. In addition, the government will encourage cooperative ventures with foreign arms manufacturers to build advanced weapons in the Republic of China. The government hopes to establish such ventures for jet aircraft and high-technology arms.

CHINA POST Editorial

OW080949 Taipei CHINA POST in English 4 Feb 82 p 4

[Editorial: "Self-Reliance in Arms Development"]

[Text] Minister Sung Chang-Chih's press conference report on the extent of arms development in the Republic of China to protect itself and its residents is most heartening.

Admiral Sung gave the press an outline of the ministry's achievements in relying upon ourselves in producing many types of missiles and rockets as well as tanks as examples of powerful state-made weapons. He cited as examples the production of Hsiung Feng, Ching Feng, Tow, anti-tank and Kun Wu missiles as well as the Work Bee rockets, the Tsu Chang missile boats and the latest-model tanks. Those missiles, rockets, tanks and model of missile boats were shown in last year's double-tenth military parade and all the people who saw the parade were greatly impressed by them. They represent the feasible and practical way to meet our defense-requirement needs in line with the principle of self-reliance and self-strengthening.

Admiral Sung also touched upon the need to acquire latest arms from abroad and the difficulties encountered in such purchases. The injection of international political considerations in such purchases has made many ordinary business deals complicated. The latest Chinese communist objections to U.S. sales of arms to the Republic of China in accordance with the stipulations of the Taiwan Relations Act is a case in point. As a result of the Chinese communist pressure, the United States had to announce the denial of the ROC's request for purchasing sophisticated modern planes.

While the Reagan administration stated that the ROC may extend its F-5E co-production line in Taiwan, the fact remains that the F-5E's are inferior to the FX's and even the F-5G's. In view of the Chinese communist production of the jet-23 of the Soviet model, and Peiping's constant threat to seize Taiwan by force, the ROC's needs in procuring the latest-model modern planes are obviously urgent.

Fortunately, a number of jet fighters have been successfully developed here, according to Admiral Sung. We hope that before long, further development along this line will be successful.

The American people and the people of other friendly nations should appreciate the Chinese Government's and people's efforts in strengthening our defense to safeguard not only the security of the Republic of China but also of Asian Pacific region. As the U.S. Congress has been greatly concerned with the administration's record in the implementation of the Taiwan Relations Act, all the congressional leaders should realize our efforts in providing for our own defense needs. But more are needed to offset the Chinese communist expansion and aggression trends. They should resolutely reject any Chinese communist demand to withhold any sales of modern arms to the Republic of China and urge the Reagan administration to proceed with all necessary sales in accordance with the Taiwan Relations Act.

On the other hand the people of the Republic of China should step up their voluntary contribution program of self-reliance funds to enable our government to further develop our procurement programs or other developments to manufacture arms, missiles, rockets, tanks and planes by ourselves. For self-reliance remains our best course of action to protect ourselves.

CHIANG HAS EYE OPERATION ; TO LEAVE HOSPITAL SOON

OW031445 Taipei CNA in English 1348 GMT 3 Feb 82

[Text] Taipei, Feb 3 (CNA) -- President Chiang Ching-kuo was hospitalized Wednesday to undergo a minor operation on his left eye and expected to leave the hospital soon.

The government information office announced Wednesday that the president recently had a regular physical examination in the Veteran's General Hospital [VGH] conducted by Dr Paul N. Yu, the VGH's chief consultant, with the participation of Dr Chi-hsun Tsou, its director, and chief physicians and specialists of the hospital's relevant departments.

The doctors agreed, on the basis of the examination, that the president's health was in excellent condition; his blood pressure was normal and his heart, blood vessels, lungs, stomach and intestines, liver, kidneys, gallbladder, nervous system, muscles, and skeletal system all function well.

The mild diabetic condition which he has had for a number of years is now under satisfactory control. However, the doctors found that the retina of his left eye required a minor operation.

Upon their recommendations, the president was hospitalized Wednesday in the Veteran's General Hospital after presiding over a meeting of Kuomintang's Central Standing Committee.

The operation, which was conducted in the afternoon and lasted for one hour and a half, was highly successful. The president expects to leave the hospital shortly.

HONG KONG PRESS ON DENG XIAOPING'S WHEREABOUTS

Deng Reported in Guangdong

HK060711 Hong Kong HSIN WAN PAO in Chinese 6 Feb 82 p 1

[Report: "Deng Xiaoping Spends Spring Festival in Guangzhou, Personally Decides This Should Not Be Reported"]

[Text] CCP Central Committee Vice Chairman Deng Xiaoping, whose movements are the focus of all eyes, already left Beijing before the Spring Festival, and is reported to be still in Guangdong.

Authoritative sources have revealed that Deng Xiaoping came south this year to spend the Spring Festival and inspect work in Guangzhou. People who saw him say his spirits and health are good. When some words were written about him in reports on Spring Festival activities in Guangzhou, he had them deleted before publication. Hence, no official news has yet been published.

The Guangzhou press only reported on Political Bureau Member Wang Zhen's visit to Guangdong and inspection of the South Sea Fleet and Hainan Island.

In addition, central Propaganda Department Deputy Director Zhou Yang, interviewed on 3 February, also mentioned having seen Vice Chairman Deng Xiaoping in Guangzhou around the Spring Festival. Zhou Yang, accompanied by his wife, came to Guangdong for a vacation. He inspected the Shenzhen and Zhuhai special economic zones. He was surprised by the extent of the Shenzhen zone and profoundly impressed by its growth speed.

Zhou Yang on Deng's Location

HK060044 Hong Kong TA KUNG PAO in Chinese 6 Feb 82 p 1

[Report: "Zhou Yang, Visiting the Shenzhen Special Zone, Reveals Deng Xiaoping's Southern Trip to Guangzhou To Inspect Shenzhen"]

[Text] Shenzhen, 5 Feb -- Zhou Yang, deputy director of the CCP Central Committee's Propaganda Department and chairman of the All-China Federation of Literature and Art, came south on 1 February to inspect the Shenzhen special economic zone. After speaking of the profound impression made on him by the speed of construction in this zone, he revealed that when he arrived in Guangzhou on 18 January, Vice Chairman Deng Xiaoping was also there. According to reports, Deng Xiaoping is also very interested in the development of the Shenzhen special economic zone and intends to go and inspect it.

While in Shenzhen, Zhou Yang inspected the Shekou industrial area and the construction site of the projected Futian new town, together with the area of factories built as joint ventures in recent years. The speed of construction in the zone made a very good impression on him. He said he visited Shenzhen 20 years ago; at that time it was a bleak and quiet spot. Today, a complete transformation has taken place, and he could hardly recognize it. He expressed happiness at the number of construction sites and the busy road transport scene at Shenzhen. He said that this was a prosperous scene of economic construction.

Zhou Yang expressed surprise at the size of Futian new town, as shown on the blueprints. He said, I feel that construction of the Shenzhen special economic zone has been carried out in a correct and successful way. We should strive to carry on with it and create results and experiences to provide reference material for the country's modernization drive. On the evening of 2 February, he watched a performance given by the Shenzhen Cantonese opera troupe, which is about to perform in Hong Kong, and by a number of amateur literature and art workers. Zhou Yang left Shenzhen on 4 February, going by boat to inspect the Zhuhai special economic zone.

Zhou Yang is also a member of the Standing Committee of the central Discipline Inspection Commission. He said his visit to the south was for vacation purposes.

During his stay in Guangzhou, before the Spring Festival, Zhou Yang inspected the Dongfang guesthouse, whose modification is still causing some dispute. He said that this type of renovation was essential.

Column on Deng in Guangdong

HK060137 Hong Kong TA KUNG PAO in Chinese 6 Feb 82 p 2

["Political Talk" column by Shih Chun-yu: "Deng Xiaoping's Southern Trip and Two Items of Guangdong News"]

[Text] Deng Xiaoping Was in Guangzhou During the Spring Festival

During his visit to Shenzhen, central Propaganda Department Deputy Director Zhou Yang mentioned that when he flew into Guangzhou from Beijing on the eve of the Spring Festival, Vice Chairman Deng Xiaoping was also in the city. This gives the answer to a matter which has caused much comment in foreign circles.

Deng Xiaoping's name was not mentioned when Beijing held a Spring Festival tea party in the Great Hall of the People or when the leaders were visiting old comrades to extend regards. As a result all kinds of guesses and rumors emerged abroad.

Some people even said, pretending to be serious, that an assassination attempt had been made on Deng Xiaoping in Heilongjiang. They treated this as headline "news," and the rumormongering press again revealed its original features in this matter.

The facts have shown that Deng Xiaoping, in his 70's, is not only in good health but has also been traveling around, inspecting work during this period.

Important Conference Convened by Guangdong

Guangdong Province convened an important conference of prefectural and municipal CCP committee secretaries on the eve of the Spring Festival.

According to NANFANG RIBAO of 22 January, the meeting took place 10-19 January.

Judging by what Zhou Yang said, Deng Xiaoping was already in Guangzhou while this conference was in progress, or at least during its closing stages.

The aim of the conference was "to convey, study and implement the spirit of recent conferences convened by the central authorities" and to set out the work aims for 1982.

The aims were twofold. In economic construction, the province should strive for better economic results and higher construction speed; in politics, the province should bring about decisive turns for the better in party work style, the social mood and social order.

The general arrangement is to "grasp things with two hands:" The building of material civilization with one hand and the building of spiritual civilization with the other.

RENMIN RIBAO Carries Series of Reports on Guangdong Trends

Beijing has recently attached evident importance to trends in Guangdong. For example, RENMIN RIBAO has carried news from Guangdong at the top of page one twice in the past week, and has also attached a "commentator's article."

The first report concerned the above-mentioned Guangdong conference of prefectural and municipal CCP committee secretaries. The last one-third of the report dealt with the speech of provincial CCP committee First Secretary Ren Zhongyi.

"Ren Zhongyi solemnly pointed out that for some time the bad mentality has grown among certain cadres in Guangdong of putting profit-making first and looking for money everywhere.... In negotiations and economic dealings with the outside world, the cadres at all levels must not seize the chance to go in for extortion and bribery. Offenders will be severely punished. It is necessary to take still more resolute steps against cadres who take part in smuggling and peddling contraband; the more senior the cadre, the more severely should he be dealt with."

The Very Important Wang Weijing Case

The second report concerned the news reported yesterday of the arrest of Wang Weijing, former secretary of the party committee of Guangzhou Municipal Telecommunications Bureau and director of the bureau, by the Guangzhou municipal authorities.

Brief reports on this matter were carried in NANFANG RIBAO and Guangzhou RIBAO on 2 February. Although the RENMIN RIBAO report appeared 3 days later, it took up about one-third of the front page, and apart from pointing out in the report that "this evoked a strong response among the cadres and masses, who applauded and lost no time telling each other the news," it also carried a "commentator's article" entitled "A Lesson That Causes People To Ponder Deeply."

The commentary on the one hand analyzed the three reasons why this kind of case dragged on for several years, and stressed on the other that matters of this type were related to the life or death of the party, and the more a major case involved bigshots and senior organs, the more essential it was to get a thorough grasp of it and mete out severe punishment.

Advantages for Guangdong-Hong Kong Cooperation

Wang Weijing visited Hong Kong in 1980, and it is said he engaged in illegal tax evasion activities. Hong Kong people are by no means unfamiliar with people like this.

Guangdong has many contacts with the Hong Kong-Macao region, and certain unhealthy trends have long caused dissatisfaction outside the province. In the wake of Deng Xiaoping's southern trip, and the intensified action of the Guangdong authorities against violations of law and discipline, the interior of China may well be taking Guangdong as the starting-point in striving for a fundamental turn for the better in atmosphere.

This will be very advantageous for the motherland's modernization drive and for the exchanges and cooperation between Hong Kong and the interior of China.

TA KUNG PAO: SINO-U.S. RELATIONS IN DANGER

HK080418 Hong Kong TA KUNG PAO in Chinese 8 Feb 82 p 2

[Special Feature by Cheng Yuan [4453 6678]: "Sino-U.S. Relations at Danger Point"]

[Text] At the end of last year, the United States ignored China's resolute opposition and unilaterally announced arms sales to Taiwan, resulting in tension in relations.

This has been followed closely by the international community and all peace-loving people of the world. At that time, U.S. Assistant Secretary of State John Holdridge headed a delegation to Beijing to explain things and hold talks. Although no solution was reached, both sides agreed to hold talks again on this question either in Washington or Beijing, in order to solve the problem by diplomatic means.

Recent information from Beijing and Washington shows that China is gradually losing its patience with the hegemonist posture and obstinate attitude of the United States and Sino-U.S. relations are at a danger point. Zhong Xidong, China's deputy foreign minister, said the day before yesterday when he met with REUTER's Managing Director Glen Renfrew: "It is not exaggerating" to say that Sino-U.S. "relations are at a danger point." When U.S. Secretary of State Alexander Haig was interviewed by the New York TIMES yesterday, he also admitted that the differences between China and the United States are very serious and said that the Reagan administration is holding "extremely delicate discussions" with Beijing on the question of arms sales to Taiwan.

After a confrontation that lasted over 20 years, Sino-U.S. relations entered a thawing period. Later, normal relations and official diplomatic relations were established. A long and toruous road has been traversed and indeed it has not been easy to gain such changes. The current crisis between China and the United States is exclusively caused by the United States and the touch-off point is that the United States persists in arms sales to Taiwan. But the essential cause is that some mediocre U.S. politicians ignore reality, overrate themselves, pay no attention to the overall strategic situation and try in vain to reverse history and occupy Taiwan forever. If U.S. policymakers stick obstinately to their course, ignore justice and only covet minor interests and cling on like grim death to Taiwan, Sino-U.S. relations will certainly fall back and retrogress.

In order to persist in its arms sales, U.S. official quarters and propaganda media have dished out many excuses and articles, but none of them can hold water. Most of them are refurbished versions of out-dated power politics.

Of these multifarious "reasons" for arms sales to Taiwan, two have been plausibly reiterated at length:

One is, "Let Taiwan maintain sufficient defensive strength." This is wanton interference in China's internal affairs and regards Taiwan as a U.S. colony. Since the United States has admitted that "the PRC Government is China's sole legal government" and "Taiwan is a part of China," why does it poke its nose into Taiwan and maintain "defensive strength" there, bypassing the central government? Taiwan is a province of China. It should be the Chinese Government and the 1 billion Chinese people that are most concerned with Taiwan's "defensive strength" against foreign aggression. Why does the United States meddle in it? What right has it to be concerned with the "defensive strength" of a Chinese province? What would President Reagan think if China directly sold arms to California and let it "maintain sufficient defensive strength?" To put it bluntly, the real motive in advocating "maintaining Taiwan's defensive strength" is to purposely create "two China's" and to obstruct China's reunification in order to occupy Taiwan forever.

The other is to say that Taiwan is of "great value" to U.S. strategy. Some people have openly regarded Taiwan as "an unsinkable aircraft carrier" of the United States in the Pacific and said that it will be too risky "to lose Taiwan." This is again a downright imperialist tune. They regard Taiwan as a U.S. colony and obedient subject that can be manipulated at will. In those days, imperialists used the theory of "importance of strategic position" and wantonly invaded and occupied the territory of other countries. Today, Israel has also invaded and occupied a vast expanse of territory of the Arab countries under the pretext of "safeguarding Israel's security." Recently, it has even openly announced through Knesset legislation that Syria's "Golan Heights is an inseparable part of Israel."

This has aroused the world's indignation and severe denunciation! Would not the world be in great turmoil if the rivers, islands, ports and forts of other countries were occupied by force or "severed" at random simply because they are important?

China has proceeded from the overall strategic situation and the desire of safeguarding the friendship between the peoples of China and the United States, and values maintaining normal Sino-U.S. relations. It has shown much patience and flexibility, but on questions of major principles, China will never give way. It acts in the same way toward both the Soviet Union and the United States. No matter who practices hegemony, we will resolutely oppose him. Not long ago, Vice Chairman Li Xiannian said in an important speech, "We will not permit, and will never permit, anybody to violate our country's sovereignty, interfere in our country's internal affairs and obstruct our country's reunification." Li Xiannian's words reflect the will of the 1 billion Chinese people and are also a severe warning against U.S. arms sales to Taiwan. The Chinese people mean what they say. Sober politicians will not forget the lesson of history.

The crisis in the Sino-U.S. relations is entirely caused by U.S. interference in China's internal affairs. The responsibility for whether or not this crisis can be removed and how Sino-U.S. relations will develop in future lies entirely with the United States. Public opinion in various countries universally holds that on the question of how to solve the problem of U.S. arms sales to Taiwan, China has both upheld its principles and been reasonable and has displayed substantial flexibility. So long as the United States truly respects China's sovereignty and territorial integrity and does not interfere in China's internal affairs, it will not be difficult to find a solution to this problem. Haig has lately stated that "they are striving to settle these differences." At present, this problem brooks no further delay. People are waiting to see whether the United States is truly "settling differences" or continuously playing tricks and clinging obstinately to its own course.

ZHOU YANG CONVENES WRITERS FORUM IN GUANGZHOU

HK080711 Hong Kong HSIN WAN PAO in Chinese 8 Feb 82 p 4

[Report: "Zhou Yang Convenes Forum in Guangzhou"]

[Text] Guangzhou, 8 Feb -- After returning to Guangzhou from his inspection of the Shenzhen and Zhuhai special economic zones, Zhou Yang, deputy director of the Central Committee's Propaganda Department and chairman of the All-China Federation of Literature and Art Circles, opened a forum at 0900 this morning, attended by representatives of the Guangdong branch of the writers' association and figures from Guangdong and Guangzhou literature and art circles, to discuss questions of literature and art in the special zones. Among those attending were Ouyang Shan, Chen Canyon, Qin Mu, Hua Jia, and Wei Qiu.

At the forum, Zhou Yang raised the question of whether there were special policies and flexible measures in literature and art, now that Guangdong had instituted such measures in economics. Should there be an "opening up" in literature and art circles? Zhou Yang asked the literature and art figures present to give their views. The atmosphere at the meeting was lively. At press time, Zhou Yang was still answering questions put by Guangdong writers.

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